CHAPTER 1.0

EXECUTIVE SUMMARY

PIA Population

PIA study area population reached almost 600,000 by 1998, having increased by 84,135 persons from the 1990 Census total of 515,143. This represents a 1.84 percent compound average annual rate of growth over the 1990-1998 time period. Population growth was stronger in the first half of the 1990s than in the later half due to differences in the economic performance of the region. Natural increase accounted for 46.7 percent of the total population increase, while net migration accounted for the other 53.3 percent.

Population change in the individual PIAs will be affected by the overall population trends within the study area. Demographic factors such as fertility and mortality rates will also play a role. A PIA, which has attracted a younger population, will have higher fertility and lower mortality so that natural increase (births minus deaths) will be high. The pace of residential development within a PIA also influences the intra-study area migration to an individual PIA. And the level of residential development will depend upon available land, the cost of land, adopted land use plans of governmental jurisdictions, the availability of infrastructure such as water, sewer, and road, and the strategic plans of local builders.

The largest population centers within the study area are in the PIAs east of downtown Albuquerque and south of Montgomery, and include PIAs 4, 5, 14, and 15. PIA 14 (traditional Northeast Heights) has the largest population base of any PIA with an estimated 79,084 persons in 1998. PIA 5 (Southeast Heights/UNM/Near Heights) is the next largest population center with 73,089 persons in 1998. PIA 4 (Uptown) had a total population of 34,154 in 1998, while PIA 15 (East Central/Four Hills) had a 1998 population of 21,896. With the exception of PIA 15, these large population centers within the study area experienced stagnant to slightly declining population during the 1990s. PIA 15 saw an increase in population due to significant new homebuilding in the area outside the Eubank gate of Kirtland AFB. The population in PIA 4, 5, 14, and 15 is older so that there is less natural increase. These are mature, well developed areas within the study area with little vacant land available for further residential development.

The fastest growing population areas of the study area lie on the west side of the Rio Grande from the Southwest Mesa on the south to Rio Rancho and Corrales on the north. This west side area includes PIA 9 (Southwest Mesa), PIA 10 (west I-40/Westland), PIA 11 (Taylor Ranch), PIA 12 (Paradise Hills/Cottonwood/Ventana Ranch), PIA 24 (Rio Rancho), and PIA 25 (Corrales). During the 1990s 75.0 percent of the study area's total population increase occurred in these west side PIAs. In 1990 these six PIAs accounted for 20.0 percent of the total study area population. By 1998, they accounted for 27.5 percent.

Single family and multifamily residential development has shifted to the study area's west side, principally because of the availability of large tracts of lower cost land with access to physical infrastructure. New residents are also younger so that natural increase is very high for these west side PIAs. The sharp increase in population reflects high fertility, low mortality, and high net migration.

PIA 12 had the largest percentage increase in population of any PIA in the 1990-1998 time period with population increasing at an annual rate of 11.2 percent from 9,222 in 1990 to 22,760 in 1998. PIA 10 was the second fastest growing PIA with population increasing from 16,250 in 1990 to 28,421 in 1998 for a 6.87 percent annual rate of growth. PIA 24, which is the city of Rio Rancho, continues to be a fast growth area with population increasing from 32,910 in 1990 to 52,201 in 1998. PIA 9 has seen explosive population growth since 1995, as local homebuilders strategically targeted entry-level homebuyers in this area. PIA 9's population increased from 20,650 in 1990 to 28,773 in 1998 with much of this growth coming after 1995.

The only PIA with significant population growth in the area east of the Rio Grande is PIA 13, which includes the Far Northeast Heights, High Desert, Sandia Heights, Tanoan, and North Albuquerque Acres. Population in PIA 13 increased from 41,402 in 1990 to 56,855 in 1998—a 3.81 percent average annual rate. PIA 13 does not have a particularly strong natural increase, but has experienced a large net inmigration as much of the vacant land in this area has been and will continue to be developed. PIA 3 lies in the area on either side of I-25 north of Montgomery. In the 1990s this area developed primarily as an employment center and has seen little large scale residential development. Population totaled 35,466 in 1990 and it increased slightly to 36,834 by 1998. With the development of the Vista del Norte project, PIA 3 will see a resurgence in population during the next ten years.

PIAs 6, 7, and 8 comprise the South Valley of the study area. These three PIAs share common demographic characteristics including high natural increase due to above-average fertility rates and outmigration of population to other parts of the study area. Overall, population increases in these PIAs has been slight during the 1990s. PIA 2 includes the North Valley of the study area and this PIA has experience slow population growth since 1990 with total population increasing from 40,294 in 1990 to 41,849 in 1998.

PIA encompasses the downtown area of Albuquerque. In 1998 there were an estimated 24, 014 persons living there, which was a decrease from the 1990 population level of 25, 282. In PIA 1 there has been a large outmigration since 1995 with a low volume of new residential development and the loss of housing converted to office spaces. PIA 23, which is Kirtland AFB, has seen a recent decline in population because of the demolition of military housing. Overall, PIA 23's housing stock has fallen from 2,372 units in 1990 to 2,085 today.

Total study area population is expected to reach 615,811 in 2000 and then increase to 701,726 by 2010. This represents a total increase of 85,915 persons within the study area during the first decade of the 21st century. Study area population growth will average 1.29 percent per year during the first part of the decade, and 1.34 percent during the second half. Population growth during the early part of the decade is restrained by the relatively weak economy of the Albuquerque region in the late 1990s and early 2000s. Employment growth is expected to pick up by 2003 so that net migration will be slightly stronger in the second half of the decade. As the population ages, fertility will gradually decline, while mortality will increase somewhat.

The population projections by individual PIA indicate a continuation of the dominant trend in the spatial distribution of population evident in the 1990s—a stagnant to slightly declining population in the large population centers on the city's east side and fast growth on the west side from the Southwest Mesa to Rio Rancho. Total population of PIAs 4, 5, 14, 15, and 23, which is estimated at 214,052 in 2000, will decline to 210,688 by 2010—a loss of 3,424 persons or a 1.6 percent total decrease. In contrast, PIAs located west of the Rio Grande from the Southwest Mesa (PIA 9) to Rio Rancho (PIA 24) will account for almost 85 percent of total population growth in the study area in the 2000-2010 time period. These west side PIAs have a young population with high fertility and low mortality so that natural increase is strong. On top of that, these west side areas have much of the developable vacant land in the study area so that residential development, both single family and multifamily, will be concentrated here.

PIA 12 and PIA 24 will be the fastest growing PIAs. PIA 12 has an estimated population of 25,084 in 2000, which is expected to increase to 38,549 by 2010. PIA 24 will see population increase from 56,926 in 2000 to 85,516 in 2010. By 2010, PIA 24 will surpass PIA 14 as the PIA with the largest population. The pace of residential development in PIA 9 is expected to remain strong because of recent improvements to its major transportation corridor. PIA 9's population is expected to increase from 30,509 in 2000 to 41,638 in 2010. PIA 10 also has excellent interstate access to Albuquerque's employment centers via I-40 and its population is expected to increase from 30,280 in 2000 to 40,141 in 2010. PIA 11 will also see above-average population growth with population increasing from 28,255 in 2000 to 37, 176 in 2010.

Other population growth areas within the study area will be found in PIA 3 and PIA 13. With the development of the Vista del Norte housing project on its western edge, PIA 3's population is expected to increase from 40,577 in 2000 to 51,890 in 2010. PIA 13 will see a slower pace of population growth in the future, as developable land becomes more scarce. PIA 13's population will increase from 57,995 in 2000 to 60,802 in 2010. The East Mountain PIAs 18 and 19 will experience continued population growth, although the population base will still remain small. PIA 1—downtown Albuquerque—is expected to see a reversal of the population decline of the 1990s and is projected to have a small population increase from 24,020 in 2000 to 24,237 in 2010. Efforts to revitalize the downtown area include bringing additional small-scale apartments to the downtown area. PIA 16/21 will begin to see some small population gains in the forecast period with the expected development of the Volcano Cliffs area and, later in the decade, with the beginnings of development at Quail Ranch. Similarly, in PIA 20—Mesa del Sol—housing and population are not expected to appear until the end of the forecast period.

More details concerning the PIA study area population trends and forecast are contained in Chapter 3.0 of this report. Table 1.1 and Map 1.1 are provided within this chapter as a summary of study area population projections.

PIA Employment

PIA study area employment totaled 324,908 in 1998, up from 306,803 in 1995. This represents only a 5.9 percent total increase in employment—18,105 new jobs—over this three year period, which is a compound average annual rate of 1.9 percent. Recent employment growth in the PIA study area has been well below the region's long term historical average of 3.6 percent. Since 1995, the Albuquerque economy has been adversely affected by the Asian financial crisis, which led to downsizing within the high tech manufacturing sector. The region's economy also had to deal with the closing of the Levi Strauss plant and the bankruptcies of Fulcrum Direct and Sun Healthcare. Economic strength within the region is concentrated in the business migration of new corporate support facilities such as call centers, a Wal-Mart distribution center, and several manufacturers including Emcore West and Allied Signal's Transportation and Energy Systems Division.

In 1998 the services sector was the region's largest, accounting for 31.5 percent of all jobs. Services have continued to grow in importance to the PIA study area's economy. Back in 1984, the services sector represented only 23.7 percent of all jobs. Retail trade was the next largest sector, accounting for 20.1 percent of total employment. Retail trade's share of total employment has been relatively constant over time. The government sector—federal, state, and local—represented 19.0 percent of PIA study area employment and its share has been decreasing over time. Manufacturing accounted for 8.5 percent of study area jobs, and this was down somewhat in 1998 due to the downsizing of the region's high tech manufacturers.

Employment is highly concentrated within the study area east of the Rio Grande. The top six PIAs—all east of the Rio Grande-- accounted for 239,832 jobs in 1998, which is 73.8 percent of total PIA study area employment. These top six PIA employment centers include PIA 5 (UNM/Gibson SE area; 64,195 jobs), PIA 4 (Uptown; 52,336 jobs), PIA 3 (North I-25 area; 47,865 jobs), PIA 1 (Downtown; 34,987 jobs), PIA 23 (Kirtland AFB; 21,453 jobs), and PIA 14 (Northeast Heights; 18,990 jobs). The only significant employment center west of the Rio Grande is PIA 24 (Rio Rancho), which had 17,977 jobs in 1998. PIA 12 in the Cottonwood Mall area is gradually developing as a new west side employment center, but this PIA had only 7,578 jobs in 1998.

Between 1998 and 2010 PIA study area employment is expected to increase from 324,908 to 398,431. This total increase of 73,523 jobs represents a 22.6 percent total increase and a 1.87 percent compound average annual rate of growth. Employment growth, which is estimated at just 1.0 percent in 1999, will accelerate to the 2.0 to 2.5 percent range in 2000-2005 time period. After 2005, job growth slows to 1.5 percent, constrained by demographic factors, which affect the natural increase in the labor force both here and nationally. The services sector will continue to expand its share of local employment, while the government sector will become less important. A manufacturing rebound is expected after 1999 with the end of the Asian financial crisis, and the region will continue to attract corporate support facilities. Kirtland AFB will remain open, although military employment will decrease due to further military downsizing and privatization efforts. No major cuts are expected at Sandia National Laboratories in the forecast period.

Employment growth within the PIA study area is expected to be strongest in PIA 3 (North I-25), PIA 12 (Cottonwood Mall/Paradise Hills), PIA 13 (Far Northeast Heights), and PIA 24 (Rio Rancho). PIA 3 has become a major manufacturing and corporate support facility center for the study area. High tech manufacturers include Philips Semiconductor, Sumitomo, CTS Wireless (formerly Motorola), and Honeywell/Allied Signal. Corporate support facilities now include America Online, Citibank, John Hancock, and Client Logic. PIA 3 has excellent transportation infrastructure to both the east and the west and has ample developable land.

PIA 12 grew rapidly in the 1995-1998 time period with the opening of Cottonwood Mall and other "big box" retailers. Residential development has also been quite strong since 1995, and this trend is expected to continue with further development of the Ventana Ranch project as well as other vacant land. The expected increases in PIA 12 population will require additional retail trade and services to serve the expanding population base.

PIA 13's employment growth will be primarily related to the continued residential and population growth, as North Albuquerque Acres and the High Desert project develop. PIA 24 (Rio Rancho) experienced a set back in 1999 with downsizing at Intel and the closing of Fulcrum Direct. However, in the future Rio Rancho is expected to resume its role as a major growth area for this region. Rio Rancho has recently attracted corporate support facilities for Sprint PCS and Bank of America.

PIA 4 (Uptown) will see an increase in employment after 2000, as the undeveloped land in the core Uptown area finally develops. There are also redevelopment opportunities in the PIA 4 region. PIA 1 (Downtown) has seen a long term historical decline in job market share to other fast growing PIAs such as PIA 3 and PIA 24. The new federal and state district court houses will secure PIA 1's role as the legal services center for the study area. Downtown revitalization efforts will lead to increases in retail trade and services employment in PIA 1. PIA 5 (UNM/Gibson SE area), which has the largest concentration of jobs within the study area, will continue to grow at a below average pace over the forecast period. Employment growth will rely on expansion at core institutions located within PIA 5 including UNM, TVI, APS, and major health care facilities.

More details concerning the PIA study area employment trends and forecast are contained in Chapter 4.0 of this report. Table 1.2 and Map 1.2 are provided within this chapter as a summary of study area employment projections.

PIA Housing

Single family housing activity within the PIA study area has been at record levels in both 1998 and 1999 with 4,550 single family housing permits in 1998 and an estimated 4,687 units permitted in 1999. Relatively low mortgage interest rates as well as a strategic focus on entry level, affordable housing by local builders account for the recent high level of single family home building, despite the rather sluggish regional economy. With the recent rise in mortgage interest rates beginning in the Spring of 1999 as well as rising vacancy rates for both single family and multi-family housing, a cyclical correction in the single family housing market is expected in 2000 and 2001.

Multi-family housing construction turned down in 1998 after four strong building years. In 1998 only 760 multi-family units were permitted in the PIA study area, after averaging about 1,800 units in the four previous years. In 1999 an estimated 600 multi-family housing units were permitted. Apartment vacancy rates have risen back to near a relatively high 12.0 percent, and the apartment market is suffering stiff competition from the focus of area homebuilders on the entry level, affordable housing customer.

Over the forecast period the housing projections have been based upon an analysis which considered a variety of economic and demographic factors including expected population growth, the recent rise in mortgage interest rates, housing vacancy rates, trends in average household size, and likely housing development in nearby Valencia County. Over the forecast period single family housing permits are expected to average 3,625 per year, while multi-family housing permits are expected to average 1,000 units per year. The expected cyclical downturn for single family housing in 2000 and 2001 is severe, reaching a low of 3,180 units in 2001. However, this is still a relatively high level of single family homebuilding compared to the 1990-1991 recession low of 1,934 units. Multi-family housing is already in a cyclical downturn, and is expected to recover back to its equilibrium rate of 1,000 units by 2001.

At the PIA level single family housing construction will continue to be concentrated on the study area's west side and in Rio Rancho. PIA 9 (Southwest Mesa) has seen a recent explosion in entry level housing built since 1995. This trend is expected to continue, although at a somewhat reduced level due to higher mortgage interest rates and overbuilding in this segment of the market. PIA 12 (Cottonwood/Paradise Hills) has had the largest number of single family housing permits of any PIA since 1997 and will continue in this lead role until 2004. Rio Rancho has seen a recent slowdown in single family housing construction. AMREP exited the homebuilding market in 1999 and will concentrate on land development in the future. Multiple homebuilders are now entering the Rio Rancho market. After the 2000-2001 housing cycle, Rio Rancho will regain its market share due to the availability of competitively priced land.

On the study area's east side single family housing construction will be confined primarily to PIA 3 and PIA 13. PIA 3 will see a sustained pace of single family housing permits in the 250-300 unit level due to the new Vista del Norte housing development. PIA 13 includes North Albuquerque Acres and the High Desert project, both of which will see continued housing development, although at a slower pace later in the forecast period. PIA 15 in the east Central

Avenue area saw an increase in single family housing permits in 1999 due to the extension of the Willow Wood housing project. Single family housing activity in PIA 15 is expected to be sustained until 2003, when available developable land becomes scarcer.

In the multi-family housing area development has shifted to the study area's west side in recent years, and this trend is expected to continue. There is limited land available on the east side for multi-family housing projects, although some continued apartment construction is expected in PIAs 1, 3, 4 and 13 on the east side. PIA 1 will see some small apartment development due to downtown revitalization efforts. The Vista del Norte housing development in PIA 3 contains plans for multi-family housing in the second half of the forecast period. Rio Rancho will see more multi-family residential development in the future, as land values increase. Low income apartments, financed by the New Mexico Mortgage Finance Authority, will be built in PIA 9 as well as PIA 24 (Rio Rancho).

Details concerning the PIA study area housing trends and projections are contained in Chapter 5.0 of this report. Tables 1.3 and 1.4 as well as Map 1.3 are provided within this chapter as a summary of the PIA study area housing forecast.

CPA Population

CPA study area population reached 518,197 persons by 1998, having increased by almost 61,000 over the 1990 Census total of 457,252. This represents a 1.51 percent compound average annual rate of growth over the 1990-1998 time period. Population growth was stronger in the first half of the 1990s (1.67 percent) than in the later half (1.25 percent) due to a weaker economic performance in the region in the 1995-1998 time period. Natural increase and net migration each accounted for 50 percent of the total increase in population.

The largest population centers within the CPA study area are the Mid-Heights with a 1998 population of 88,227 and the Near Heights with a 1998 population of 71,560. These two largest CPAs, however, saw declines in population during the 1990s. For the Mid-Heights this decline was only 252 persons, while for the Near Heights the decline was 2,877 persons. Both of these CPAs represent mature, developed areas of Albuquerque with an older population, small natural increase in population, and little new residential development.

The West Side CPA by 1998 had become the third most populous CPA with a population of 62,120, up from the 1990 Census count of 32,225. The West Side CPA was the fastest growing CPA in the 1990s and represents the area west of the Rio Grande from roughly I-40 to the Bernalillo County line. The West Side has a young population with high fertility and low mortality. Much of the new single family and multifamily development during the 1990s was concentrated in the West Side so that net migration was very high. About half of the total population increase in the CPA study area occurred in the West Side between 1990 and 1998.

The Southwest Mesa CPA, also located west of the Rio Grande and south of I-40, grew rapidly during the 1990s, particularly after 1995. The Southwest Mesa population increased from 31,340 in 1990 to 39,176 in 1998. Local homebuilders have built thousands of entry-level single family housing units in this area since 1995, strategically targeting the first time, low income homebuyer.

Other CPAs with significant population growth during the 1990s include North Albuquerque, Foothills, and East Gateway. North Albuquerque includes North Albuquerque Acres and the La Cueva area, which have seen rapidly residential development. North Albuquerque population increased from 32,015 in 1990 to 45,732 in 1998. The Foothills includes the High Desert residential development, and it saw population increase from 40,051 in 1990 to

46,367 in 1998. The East Gateway CPA also experienced a population gain from 41,056 in 1990 to 53,752 in 1998.

During the 1990s the North Valley, Central Albuquerque, and South Valley CPAs all experienced stagnant population trends. The North Valley has a low natural increase in population and has suffered slight outmigration due to a low level of residential development. Allowable densities are lower here due to adopted plans to preserve agricultural lands. Central Albuquerque has a low natural increase due to an aging population, and it is losing housing stock converted into offices. The South Valley has above-average natural increase due to high fertility rates. However, this area has suffered large outmigration to other areas. There have been only modest amounts of new residential development in the South Valley.

Total CPA study area population is expected to reach 528,404 in 2000 and then increase to 580,716 by 2010. This represents a total increase of 52,312 persons within the CPA study area during the first decade of the 21st century. Study area population growth will average just under 1.0 percent per year during the decade. As the population ages, fertility will gradually decline, mortality will increase somewhat, and net migration will diminish due to slower projected employment growth within the study area.

The population projections by individual CPA indicate a continuation of the dominant trend in the spatial distribution of population evident in the 1990s—a stagnant population in the older large population centers east of the Rio Grande and fast population growth on the city's west side. The Mid-Heights will see a tiny increase in population from 88,863 in 2000 to 89,334 in 2010. And the Near Heights will also see slight population growth averaging 0.23 percent per year from 71,692 in 2000 to 73,403 in 2000. In contrast, the West Side CPA is projected to have the fast population growth at 3.5 percent per year, increasing from 67,307 in 2000 to 94,542. In fact, by 2010 the West Side is expected to be the most populous CPA, surpassing the Mid-Heights. The Southwest Mesa's population will increase from 40,589 in 2000 to 47,680 in 2010. Together, the West Side and Southwest Mesa CPAs will account for 65.6 percent of the total increase in the CPA study area between 2000 and 2010.

Other CPAs with significant population growth over the forecast period will be North Albuquerque, North Valley, Foothills, and East Gateway. North Albuquerque will see continued growth with additional development in North Albuquerque Acres and the La Cueva area. Population will increase from 46,842 in 2000 to 51,906 in 2010. The North Valley, which had no growth during the 1990s, will see population growth in the 2000-2010 time period, primarily due to the Vista del Norte residential development just underway north of Osuna and east of Edith. The North Valley population is expected to increase from 49,042 in 2000 to 51,011 in 2010. The Foothills will experience continued population growth, as the High Desert residential development matures. Population is projected to increase from 47,110 in 2000 to 51,960 in 2010. And the East Gateway will see modest population growth due to continued residential development in the Willow Wood project. Population is projected to increase from 54,019 in 2000 to 55,883 in 2010.

The Central CPA will see a bit of a reversal of population trends. During the 1990s population decreased in the Central CPA. With downtown revitalization efforts, which include small multifamily complexes, the population of the Central CPA is expected to increase slightly from 20,309 in 2000 to 21,632 in 2010. The South Valley CPA will continue its historical trend of stagnant population. Outmigration is expected to offset high natural increase. South Valley population increases slightly from 42,550 in 2000 to 43,366 in 2010.

More details concerning the CPA study area population trends and forecast are contained in Chapter 6.0 of this report. Table 1.5 and Map 1.4 are provided within this chapter as a summary of CPA study area population projections.

CPA Employment

CPA study area employment totaled 281,857 in 1998, up from 267,671 in 1995. This represented 14,186 new jobs, a 5.3 percent total increase in employment, and a relatively weak 1.7 percent compound annual average rate of growth. Recent employment growth in the CPA study area has been well below the region's long term historical average of 3.6 percent. Since 1995, the Albuquerque economy has been adversely affected by the Asian financial crisis, which led to downsizing within the high tech manufacturing sector. The region's economy also had to deal with the closing of the Levi Strauss plant and the bankruptcy of Sun Healthcare, which is headquartered in the CPA study area. Economic strength within the region is concentrated in the business migration of new corporate support facilities and several new manufacturers including Emcore West and Allied Signal's Transportation and Energy Systems Division.

In 1998 the services sector was the region's largest, accounting for 32.3 percent of all jobs. Services have continued to grow in importance to the CPA study area's economy. In 1990 the services sector represented only 27.0 percent of all jobs. Retail trade was the next largest sector, accounting for 21.1 percent of total employment. Retail trade's share of total CPA employment has increased slightly since 1990. The government sector—federal, state, and local—represented 16.6 percent of CPA study area employment and its share has been decreasing over time. Manufacturing accounted for 7.2 percent of study area jobs, and this was down somewhat in 1998 due to the downsizing of the region's high tech manufacturers.

Employment is highly concentrated within the CPA study area east of the Rio Grande. The top four CPAs—all east of the Rio Grande-- accounted for 216,985 jobs in 1998, which is 77.0 percent of total CPA study area employment. These top four CPA employment centers include Mid Heights (72,132 jobs), Near Heights (58,875 jobs), North Valley (55,129 jobs), and Central (30,849 jobs). There is no significant employment center in the CPA study area west of the Rio Grande. Even the West Side CPA, which includes the Cottonwood Mall area, had only 9,997 jobs in 1998.

Between 1998 and 2010 CPA study area employment is expected to increase from 281,858 to 350,444. This total increase of 68,586 jobs represents a 24.3 percent total increase and a 2.0 percent compound average annual rate of growth. Employment growth, which is estimated at just 1.8 percent in 1999, will accelerate to the 2.0 to 2.5 percent range in 2000-2005 time period. After 2005, job growth slows to 1.5 percent, constrained by demographic factors, which affect the natural increase in the labor force both here and nationally. The services sector will continue to expand its share of local employment, while the government sector will become less important. A manufacturing rebound is expected after 1999 with the end of the Asian financial crisis, and the region will continue to attract corporate support facilities. Kirtland AFB, while not part of the CPA study area, still has indirect economic impacts on the CPA study area. Kirtland AFB will remain open, although military employment will decrease due to further military downsizing and privatization efforts. No major cuts are expected at Sandia National Laboratories in the forecast period.

Among the four large CPA employment centers, the North Valley and Mid Heights are expected to have above-average employment growth in the 1999-2010 time period. The North Valley CPA has developed as the study area's manufacturing center. Recovery in the high tech manufacturing sector is expected after 2000. Corporate support facilities have also located in the North Valley CPA including America Online, Citibank, and John Hancock. The new Vista del Norte housing development will bring new population and retail trade jobs to this CPA. The Mid Heights includes Coronado and Winrock shopping malls. With the expected development of vacant land in the Uptown area as well as redevelopment opportunities, the Mid Heights CPA is expected to continue to expand its share of study area employment.

The other two large CPA employment centers, Central and Near Heights, have seen a recent decline in employment market share within the study area, indicating below average job growth. These trends are expected to continue throughout the forecast period. The Central CPA includes downtown Albuquerque. Employment has been stable. Recent efforts to revitalize the downtown area are expected to bring additional retail trade and services jobs to this CPA. The new federal and state district courthouses will secure its legal services employment base. The Near Heights includes the major institutional employers such as the University of New Mexico, TVI, Albuquerque Public Schools, and several hospitals. This is a mature area within the CPA study area with little vacant land. Redevelopment opportunities do exist.

The Southwest Mesa and West Side CPAs are still small employment centers. However, because of recent and expected future housing development, population on the CPA study area's west side will continue to expand rapidly. As the population grows, retail trade and services employment will follow. Both of these west side CPAs will experience above average employment growth in the 1999-2010 time period. The East Gateway CPA also has a small employment base, but it is expected to have above average job growth due to the development of Sandia Lab's Science and Technology Park and the recent resurgence of housing development.

More details concerning the CPA study area employment trends and forecast are contained in Chapter 7.0 of this report. Table 1.6 and Map 1.5 are provided within this chapter as a summary of CPA study area employment projections.

CPA Housing

Single family housing activity within the CPA study area has been at record levels in both 1998 and 1999 with 3,687 single family housing permits in 1998 and an estimated 3,964 units permitted in 1999. Relatively low mortgage interest rates as well as a strategic focus on entry level, affordable housing by local builders account for the recent high level of single family home building, despite the rather sluggish regional economy. With the recent rise in mortgage interest rates beginning in the Spring of 1999 as well as rising vacancy rates for both single family and multi-family housing, a cyclical correction in the single family housing market is expected in 2000 and 2001.

Multi-family housing construction turned down in 1998 after four strong building years. In 1998 only 365 multi-family units were permitted in the CPA study area, after averaging about 1,500 units in the four previous years. In 1999 an estimated 600 multi-family housing units were permitted. Apartment vacancy rates have risen back to near a relatively high 12.0 percent, and the apartment market is suffering stiff competition from the focus of area homebuilders on the entry level, affordable housing customer.

Over the forecast period the housing projections have been based upon an analysis which considered a variety of economic and demographic factors including expected population growth, the recent rise in mortgage interest rates, housing vacancy rates, trends in average household size, and likely housing development in nearby Valencia County. Over the forecast period single family housing permits are expected to average 2,700 per year, while multi-family housing permits are expected to average 700 units per year. The expected cyclical downturn for single family housing in 2000 and 2001 is severe, reaching a low of 2,555 units in 2001. However, this is still a relatively high level of single family homebuilding compared to the 1990-1991 recession low of 1,311 units. Multi-family housing is already in a cyclical downturn, and is expected to recover back to its equilibrium rate by 2001.

At the CPA level single family housing construction will continue to be concentrated in three CPAs—the West Side, North Albuquerque, and the Southwest Mesa. These three CPAs accounted for almost 75.0 percent of single family housing permits in the 1990-1998 time period. The West Side CPA has accounted for almost one-half of all CPA study area single family housing permits in the last five years, and it is expected to maintain this lead role. There is still ample developable land in the Westland properties, around St. Pius High School, and west of Paradise Hills.

The North Albuquerque CPA includes North Albuquerque Acres and the housing developments around the La Cueva High School. While single family housing construction is expected to remain strong in this CPA, it will lose market share to other CPAs over time due to growing scarcity of competitively priced developable land. The Southwest Mesa saw a sharp increase in single family housing development after 1995. Its market share jumped from 2.7 percent in 1994 to 22.4 percent in 1998. Because of available, low cost land and recent improvements to Rio Bravo SW, the Southwest Mesa is expected to maintain a 25.5 percent share of single family housing development in the CPA study area.

The North Valley CPA will see a major increase in single family housing development due to the new Vista del Norte housing project just underway. The Foothills CPA includes the

High Desert development, which has ample land for housing development in the first part of the forecast period here. The East Gateway CPA saw a resurgence of home building in 1999, which is expected to continue for the next few years.

Multi-family housing activity will be concentrated in the West Side, North Albuquerque, and Foothills CPAs for the first half of the 1999-2010 forecast period. By the second half of the forecast period, multi-family construction will become more prevalent in the North Valley CPA, as the Vista del Norte development matures, and in the Southwest Mesa CPA due to available land and the increased concentration of population there from the continued expansion of single family housing. The West Side CPA will continue to be a magnet for new apartments throughout the forecast period, while the lack of developable land will slow multi-family housing development in the North Albuquerque and Foothills CPAs in the second half of the forecast period. The Central CPA will see some small apartment development with the renewed focus on downtown revitalization.

Details concerning the CPA study area housing trends and projections are contained in Chapter 8.0 of this report. Tables 1.7 and 1.8 as well as Map 1.6 are provided within this chapter as a summary of the CPA study area housing forecast.

Table 1.1

Population Projections by PIA: July 1, 1999 to July1, 2010

PIA Number	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1	24,017	24,020	24,022	24,046	24,070	24,093	24,117	24,141	24,165	24,189	24,213	24,237
2	41,665	41,115	41,148	41,188	41,235	41,288	41,337	41,391	41,453	41,513	41,574	41,610
3	38,382	40,577	41,589	42,676	43,676	44,820	46,087	47,118	48,170	49,235	50,563	51,890
4	33,689	33,692	33,659	33,608	33,558	33,508	33,457	33,407	33,357	33,307	33,257	33,207
5	72,416	71,731	71,547	71,375	71,181	71,023	70,850	70,693	70,547	70,392	70,235	70,037
6	3,496	3,437	3,426	3,415	3,404	3,394	3,383	3,372	3,361	3,350	3,338	3,323
7	25,352	25,288	25,223	25,168	25,105	25,064	25,040	25,006	24,981	24,977	24,954	24,903
8	13,215	13,216	13,203	13,183	13,164	13,144	13,124	13,104	13,085	13,065	13,046	13,026
9	29,574	30,509	31,472	32,467	33,492	34,550	35,642	36,767	37,929	39,127	40,363	41,638
10	29,419	30,280	31,157	32,047	32,962	33,903	34,871	35,866	36,890	37,944	39,027	40,141
11	27,472	28,255	29,060	29,888	30,740	31,616	32,481	33,370	34,283	35,221	36,185	37,176
12	23,986	25,084	26,328	27,489	28,847	30,216	31,687	33,083	34,645	36,129	37,334	38,549
13	57,300	57,995	58,288	58,787	59,038	59,432	59,648	59,870	60,160	60,386	60,612	60,802
14	79,231	79,096	78,940	78,789	78,625	78,491	78,349	78,216	78,095	77,971	77,846	77,674
15	22,224	22,777	22,992	23,184	23,335	23,475	23,613	23,754	23,899	24,045	24,194	24,330
16/21	97	123	146	176	206	236	238	240	243	245	301	376
17	5	4	4	4	4	4	4	4	4	4	4	4
18	9,849	9,919	10,009	10,103	10,197	10,297	10,397	10,499	10,604	10,709	10,815	10,917
19	7,788	7,843	7,959	8,078	8,199	8,324	8,450	8,579	8,711	8,846	8,982	9,116
20	0	0	0	0	0	0	0	0	0	0	100	101
23	6,766	6,756	6,627	6,497	6,362	6,229	6,092	5,954	5,814	5,672	5,527	5,380
24	54,566	56,926	59,371	61,904	64,527	67,242	70,052	72,954	75,949	79,040	82,229	85,516
25	7,088	7,169	7,237	7,302	7,367	7,430	7,492	7,552	7,610	7,666	7,720	7,773
Albuquerque Area**	**545,942**	**551,716**	**556,799**	**562,166**	**567,400**	**573,106**	**578,867**	**584,435**	**590,397**	**596,327**	**602,470**	**608,437**
Study Area	**607,595**	**615,811**	**623,407**	**631,372**	**639,294**	**647,778**	**656,411**	**664,941**	**673,956**	**683,034**	**692,420**	**701,726**

** Bernalillo County Less Residents On Native American Reservations.

TABLE 1.2

ALBUQUERQUE STUDY AREA
EMPLOYMENT PROJECTIONS BY PIA
1999 - 2010

PIA	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1	35,397	35,619	36,049	36,407	36,729	37,014	37,331	37,430	37,523	37,611	37,694	37,771
2	13,765	14,091	14,508	14,908	15,304	15,694	16,110	16,441	16,779	17,122	17,473	17,830
3	48,179	49,693	51,547	53,355	55,165	56,972	58,886	60,504	62,157	63,846	65,572	67,335
4	52,767	53,696	54,960	56,145	57,300	58,423	59,627	60,504	61,395	62,298	63,216	64,147
5	64,935	65,485	66,396	67,262	68,070	68,635	69,263	69,486	69,700	69,906	70,103	70,291
6	6,227	6,337	6,486	6,626	6,762	6,895	7,037	7,140	7,245	7,352	7,460	7,570
7	4,375	4,452	4,557	4,655	4,751	4,844	4,944	5,017	5,091	5,166	5,242	5,319
8	983	1,001	1,024	1,046	1,068	1,089	1,111	1,127	1,144	1,161	1,178	1,195
9	2,688	2,902	3,141	3,383	3,630	3,883	4,148	4,397	4,652	4,914	5,183	5,459
10	6,850	6,970	7,135	7,288	7,438	7,584	7,740	7,854	7,970	8,087	8,206	8,327
11	3,671	3,769	3,892	4,010	4,128	4,246	4,370	4,472	4,576	4,682	4,790	4,901
12	7,866	8,171	8,534	8,892	9,253	9,616	9,999	10,335	10,677	11,028	11,387	11,754
13	12,127	12,507	12,972	13,426	13,880	14,334	14,814	15,220	15,635	16,058	16,491	16,933
14	19,009	19,177	19,458	19,703	19,930	20,140	20,369	20,481	20,592	20,702	20,810	20,918
15	7,866	8,171	8,534	8,892	9,253	9,435	9,629	9,771	9,915	10,061	10,209	10,359
16/21	113	113	116	119	121	123	126	128	130	132	133	135
17	88	167	171	174	178	181	185	188	191	193	196	199
18	855	870	891	910	929	947	967	981	995	1,010	1,025	1,040
19	655	667	683	697	712	726	741	752	763	774	785	797
20	0	0	102	129	157	185	215	244	275	306	338	371
23	21,303	21,011	20,824	20,575	20,286	20,321	20,369	20,293	20,211	20,121	20,025	19,922
24	17,108	17,710	18,434	19,145	19,859	20,575	21,332	21,984	22,651	23,333	24,030	24.743
25	918	934	956	976	997	1,016	1,037	1,052	1,068	1,083	1,099	1,116
TOTAL	327,746	333,513	341,369	348,725	355,901	362,878	370,351	375,801	381,333	386,947	392,646	398,431

Source: UNM Bureau of Business and Economic Research, December,1999.

TABLE 1.3

STUDY AREA SINGLE FAMILY HOUSING BY PIA
1999 - 2010

PIA	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1	33	26	22	23	25	25	25	25	25	25	25	25
2	122	97	83	87	92	92	92	93	93	93	93	94
3	305	296	299	281	279	271	263	263	264	265	266	268
4	2	2	2	2	2	2	2	2	2	2	2	2
5	40	32	10	10	11	11	11	11	11	11	11	11
6	14	11	10	10	11	11	11	11	11	11	11	11
7	47	37	32	34	35	35	35	36	36	36	36	36
8	23	19	16	17	18	18	18	18	18	18	18	18
9	773	542	413	452	494	504	515	516	518	519	520	526
10	551	430	350	369	388	389	390	391	393	394	395	399
11	281	206	175	184	194	195	195	196	196	197	197	199
12	937	736	595	624	658	660	681	683	685	687	689	656
13	492	393	334	352	318	319	284	285	286	286	287	290
14	70	56	48	50	53	53	53	53	54	54	54	54
15	272	198	153	134	106	89	89	89	89	89	90	91
16/21	1	0	15	20	20	20	0	0	0	0	0	40
17	-	-	-	-	-	-	-	-	-	-	-	-
18	66	52	45	47	49	50	50	50	50	50	50	51
19	47	37	32	34	35	35	35	36	36	36	36	36
20	-	-	-	-	-	-	-	-	-	-	-	40
23	-	-	-	-	-	-	-	-	-	-	-	-
24	529	494	485	554	672	692	729	731	733	735	737	705
25	82	75	64	67	71	71	71	71	71	72	72	73
TOTAL	4,687	3,741	3,180	3,350	3,530	3,540	3,549	3,559	3,569	3,578	3,588	3,625

Source: UNM Bureau of Business and Economic Research, December, 1999.

TABLE 1.4

STUDY AREA MULTI FAMILY HOUSING BY PIA
1999 - 2010

PIA	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1	68	50	0	50	0	50	0	50	0	50	0	50
2	2	0	0	0	10	0	0	0	0	0	0	0
3	57	100	0	100	0	150	300	0	300	0	0	300
4	0	0	0	150	200	0	0	0	0	0	0	0
5	15	0	0	10	0	10	0	10	0	10	0	0
6	0	0	0	0	0	0	0	0	0	0	0	0
7	0	10	0	0	0	0	10	0	10	0	10	0
8	0	0	0	0	0	0	0	0	0	0	0	0
9	0	0	200	0	200	150	0	300	0	200	200	200
10	268	0	300	300	100	0	150	200	0	0	200	150
11	0	0	260	0	200	0	150	0	300	0	50	0
12	100	100	150	0	200	200	300	200	300	400	300	0
13	90	300	0	300	0	200	0	0	0	100	0	0
14	0	0	0	0	0	0	0	0	0	0	0	0
15	0	0	0	0	0	0	0	0	0	0	0	0
16/21	0	0	0	0	0	0	0	0	0	0	0	0
17	0	0	0	0	0	0	0	0	0	0	0	0
18	0	0	0	0	0	0	0	0	0	0	0	0
19	0	0	0	0	0	0	0	0	0	0	0	0
20	0	0	0	0	0	0	0	0	0	0	0	0
23	0	0	0	0	0	0	0	0	0	0	0	0
24	0	300	150	150	150	300	150	300	150	300	300	300
25	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	600	860	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,000

Source: UNM Bureau of Business and Economic Research, December, 1999.

Table 1.5

Population Projections by CPA: July 1, 1999 to July 1, 2010

CPA Name	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
West Side	64,780	67,307	69,934	72,530	74,993	77,649	80,398	83,201	86,013	88,837	91,715	94,542
North Valley	48,856	49,042	49,232	49,423	49,615	49,809	50,003	50,201	50,400	50,599	50,802	51,011
North Albuquerque	46,320	46,842	47,360	47,860	48,360	48,856	49,352	49,852	50,357	50,872	51,386	51,906
Mid-Heights	88,774	88,863	88,947	89,024	89,096	89,146	89,178	89,209	89,240	89,271	89,302	89,334
Foothills	46,650	47,110	47,574	48,042	48,515	48,993	49,476	49,963	50,455	50,952	51,454	51,960
Southwest Mesa	39,676	40,589	41,285	41,951	42,628	43,315	44,014	44,724	45,445	46,178	46,923	47,680
Central Albuquerque	20,196	20,309	20,420	20,564	20,689	20,836	20,972	21,102	21,234	21,366	21,499	21,632
Near Heights	71,692	71,773	71,914	72,110	72,293	72,490	72,677	72,845	73,005	73,151	73,292	73,403
East Gateway	53,848	54,019	54,193	54,383	54,568	54,754	54,941	55,128	55,316	55,504	55,693	55,883
South Valley	42,469	42,550	42,631	42,712	42,793	42,875	42,956	43,038	43,120	43,202	43,284	43,366
Total	523,261	528,404	533,490	538,598	543,550	548,722	553,966	559,262	564,584	569,931	575,349	580,716

TABLE 1.6

EMPLOYMENT PROJECTIONS BY CPA
1999 - 2010

CPA	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
----	----	----	----	----	----	----	----	----	----	----	----	----
West Side	10,472	10,933	11,470	12,007	12,550	13,083	13,646	14,145	14,656	15,178	15,713	16,261
North Valley	56,233	57,500	59,117	60,676	62,217	63,662	65,203	66,396	67,611	68,847	70,105	71,385
North Albuquerque	13,662	14,037	14,501	14,953	15,404	15,834	16,291	16,664	17,044	17,431	17,827	18,230
Mid Heights	73,106	74,618	76,580	78,460	80,309	82,030	83,869	85,254	86,663	88,095	89,551	91,031
Foothills	8,240	8,308	8,421	8,521	8,613	8,686	8,768	8,798	8,827	8,855	8,882	8,908
Southwest Mesa	9,497	9,939	10,452	10,965	11,486	11,998	12,539	13,021	13,515	14,021	14,539	15,069
Central	31,402	31,644	32,059	32,421	32,751	33,012	33,302	33,396	33,487	33,573	33,654	33,730
Near Heights	59,906	60,423	61,274	62,024	62,717	63,279	63,900	64,149	64,391	64,627	64,856	65,077
East Gateway	14,058	14,397	14,824	15,238	15,648	16,035	16,447	16,773	17,104	17,441	17,785	18,135
South Valley	10,329	10,524	10,781	11,027	11,267	11,488	11,725	11,898	12,073	12,252	12,432	12,616
TOTAL	286,906	292,321	299,480	306,292	312,962	319,108	325,690	330,494	335,371	340,320	345,344	350,444

Source: UNM Bureau of Business and Economic Research, December, 1999.

TABLE 1.7

SINGLE FAMILY HOUSING BY CPA
1999 - 2010

CPA	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
West Side	1,522	1,199	986	1,043	1,075	1,098	1,127	1,143	1,160	1,163	1,166	1,178
North Valley	139	185	243	252	270	269	266	267	268	269	269	272
North Albuquerque	503	370	281	291	284	269	253	240	228	228	229	231
Mid Heights	12	9	8	8	8	8	8	8	8	8	8	8
Foothills	325	253	210	217	189	188	160	160	161	161	162	163
Southwest Mesa	1,070	755	588	609	676	686	679	681	683	685	687	694
Central	28	22	18	19	19	19	19	19	19	19	19	19
Near Heights	40	31	13	13	14	13	13	13	13	13	13	14
East Gateway	285	222	179	164	135	108	107	107	107	107	108	109
South Valley	40	37	31	32	32	32	32	32	32	32	32	33
TOTAL	3,964	3,083	2,555	2,648	2,702	2,692	2,664	2,671	2,678	2,686	2,693	2,721

Source: UNM Bureau of Business and Economic Research, December, 1999.

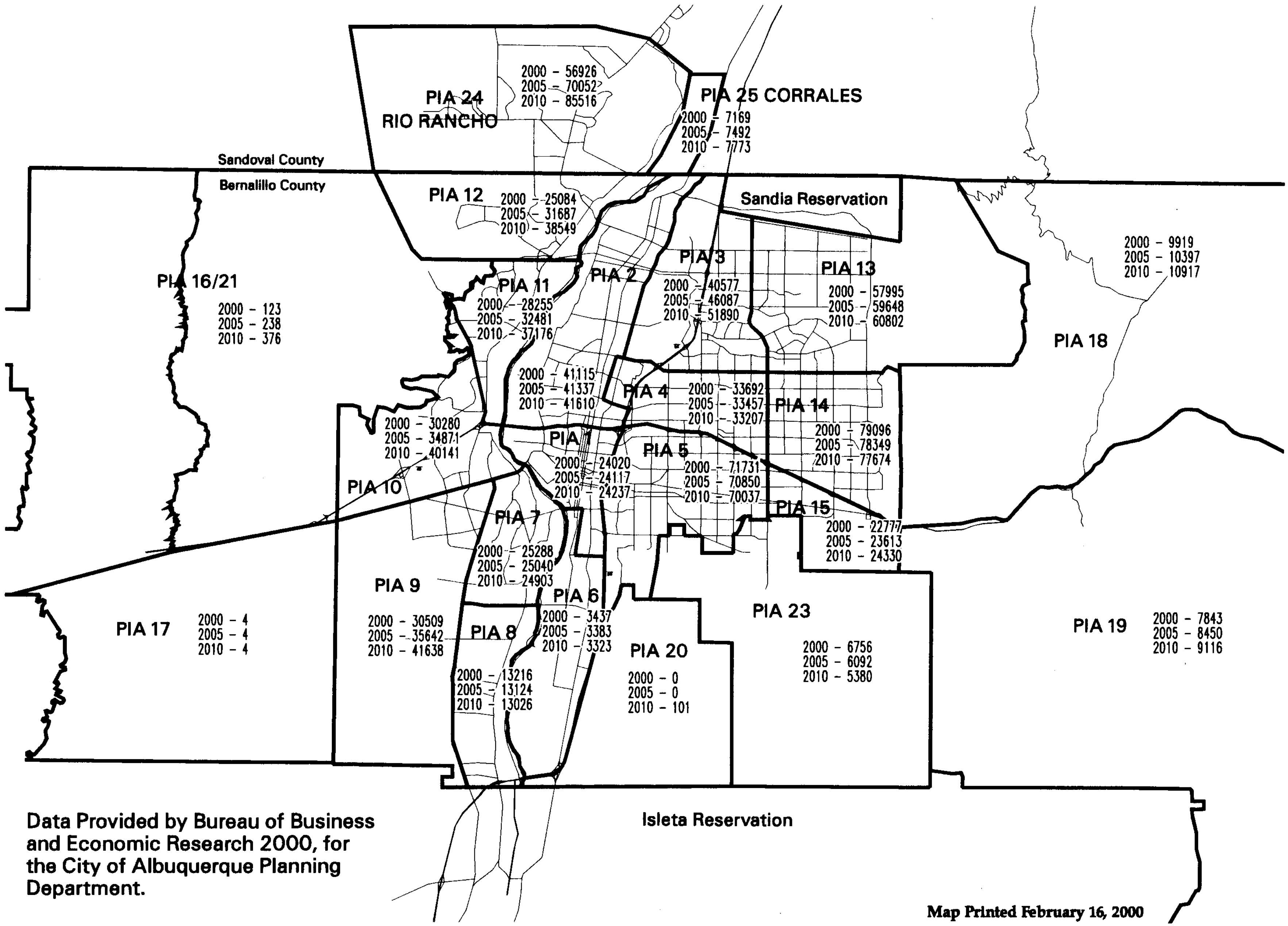
TABLE 1.8

MULTI FAMILY HOUSING BY CPA
1999 - 2010

CPA	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
West Side	368	100	710	300	500	200	600	400	600	400	550	150
North Valley	2	0	0	0	10	0	300	0	300	0	0	300
North Albuquerque	57	100	0	100	0	150	0	0	0	0	0	0
Mid Heights	0	0	0	150	200	0	0	0	0	0	0	0
Foothills	90	300	0	300	0	200	0	0	0	100	0	0
Southwest Mesa	0	0	200	0	200	150	0	300	0	200	200	200
Central	68	50	0	50	0	50	0	50	0	50	0	50
Near Heights	15	0	0	10	0	10	0	10	0	10	0	0
East Gateway	0	0	0	0	0	0	0	0	0	0	0	0
South Valley	0	10	0	0	0	0	10	0	10	0	10	0
TOTAL	600	560	910	910	910	760	910	760	910	760	760	700

Source: UNM Bureau of Business and Economic Research, December, 1999.

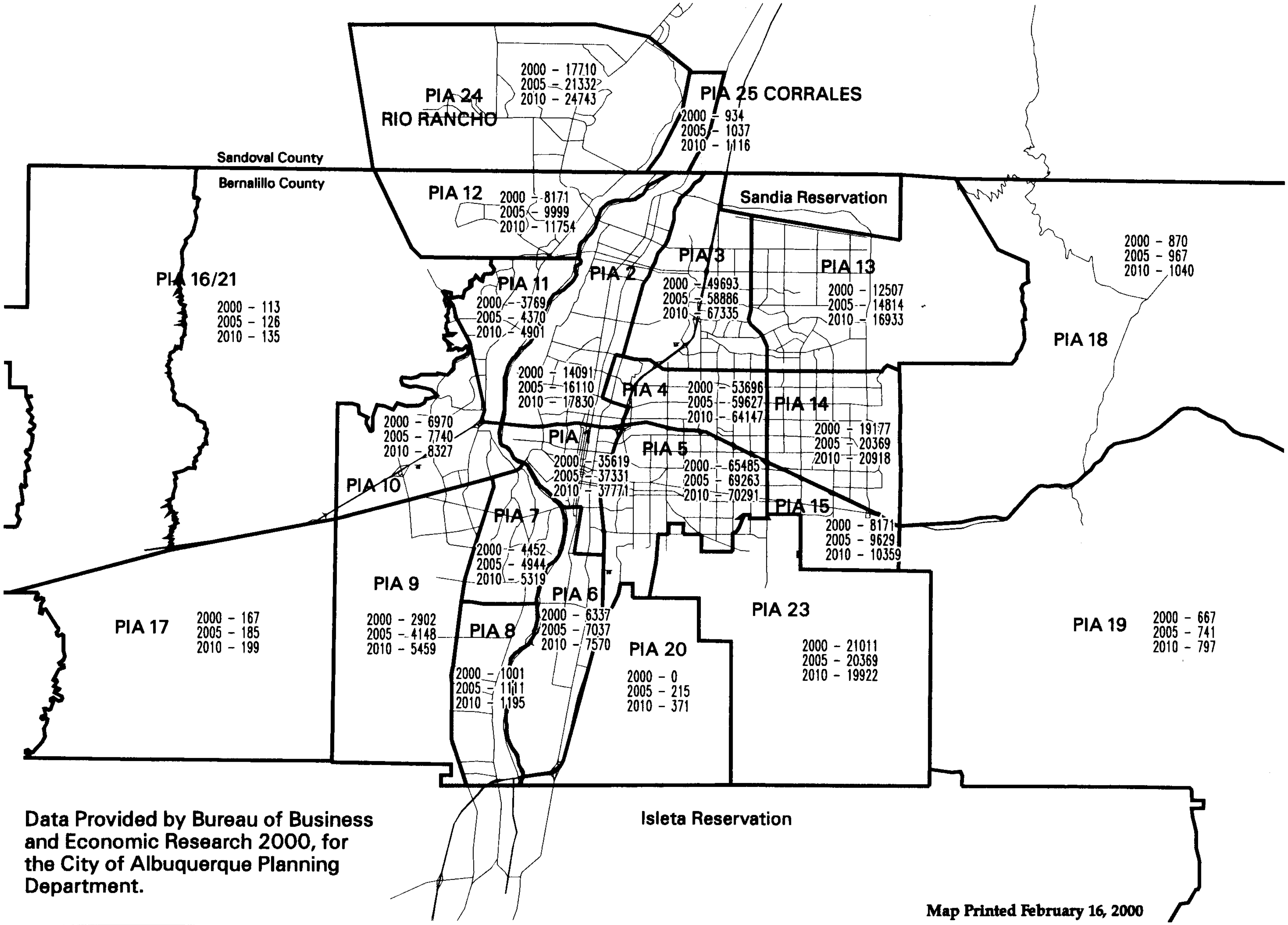
Map 1.1
POPULATION BY PLANNING INFORMATION AREA



Data Provided by Bureau of Business and Economic Research 2000, for the City of Albuquerque Planning Department.

Map Printed February 16, 2000

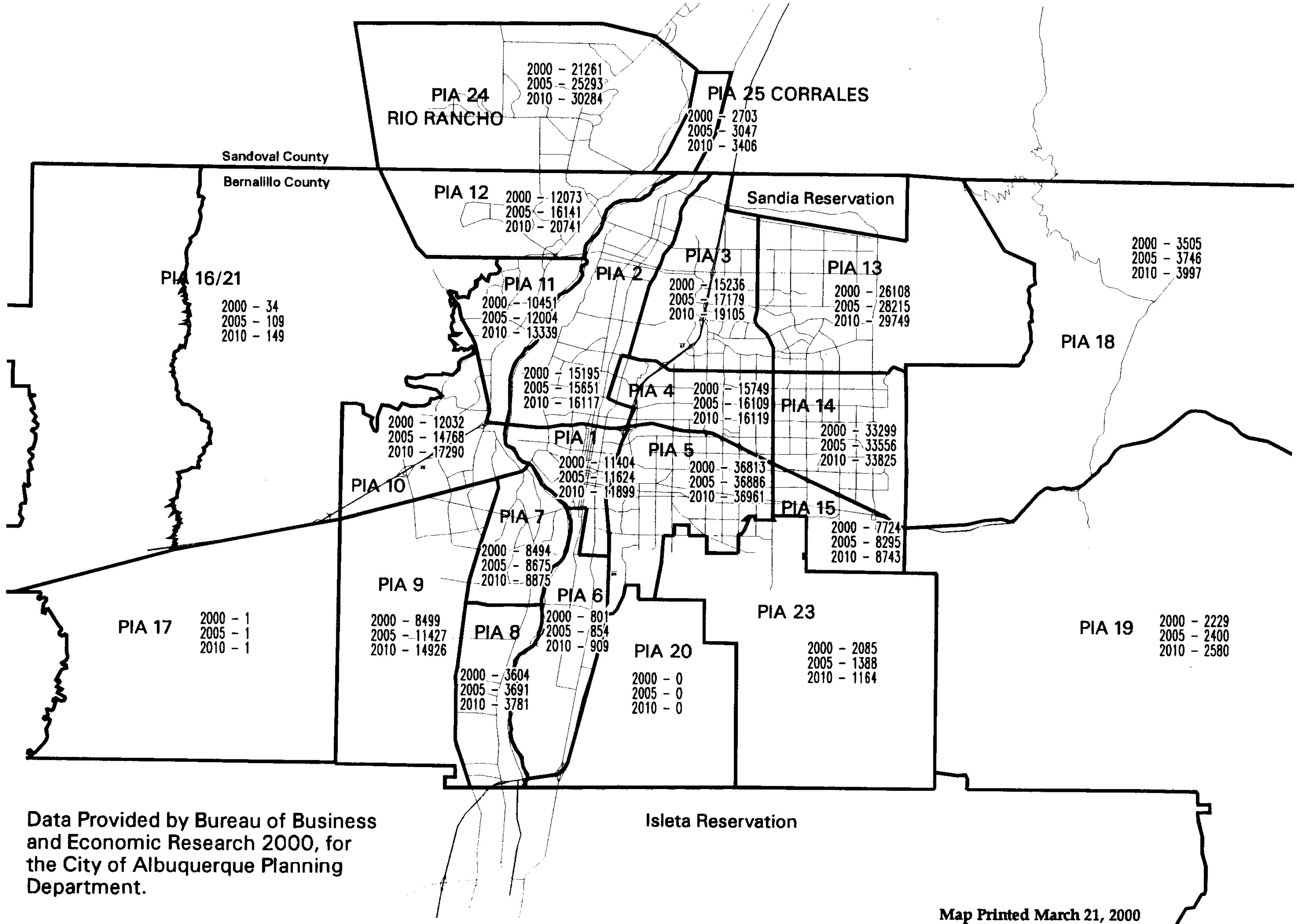
Map 1.2
EMPLOYMENT BY PLANNING INFORMATION AREA



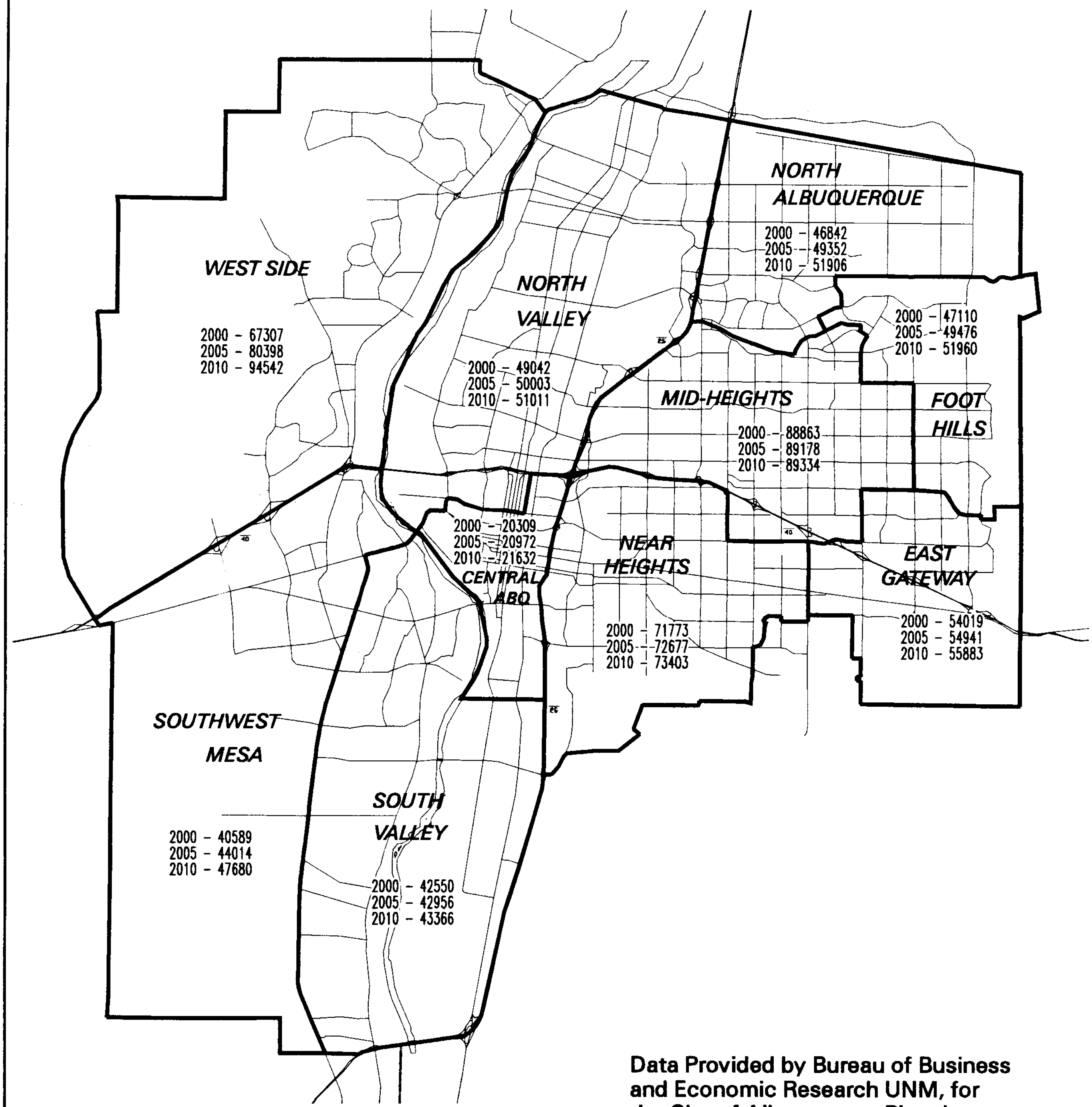
Data Provided by Bureau of Business and Economic Research 2000, for the City of Albuquerque Planning Department.

Map Printed February 16, 2000

Map 1.3
HOUSING UNITS BY PLANNING INFORMATION AREA



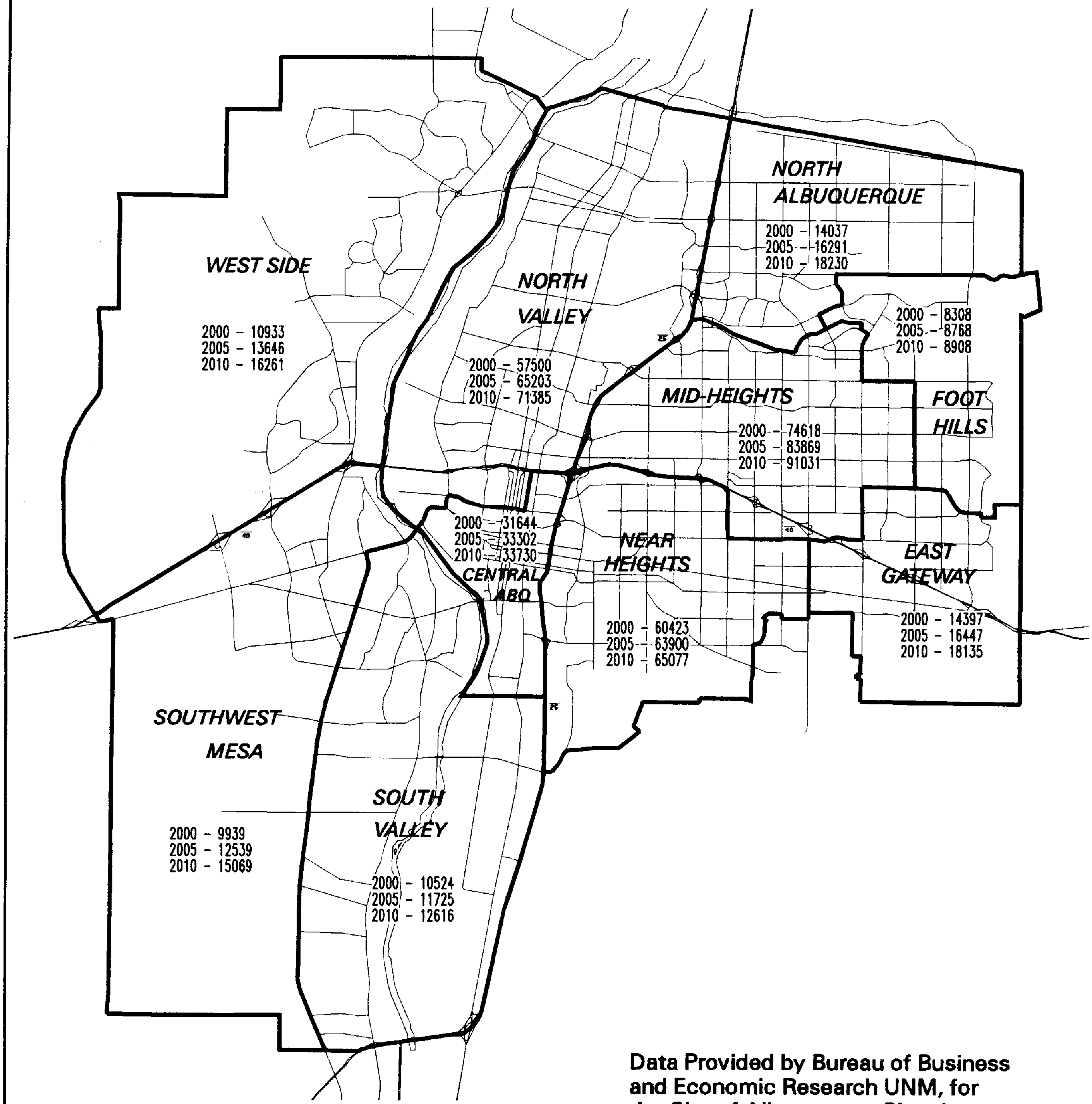
Map 1.4
POPULATION BY COMMUNITY PLANNING AREA



Data Provided by Bureau of Business and Economic Research UNM, for the City of Albuquerque Planning Department.

Map Printed February 25, 2000

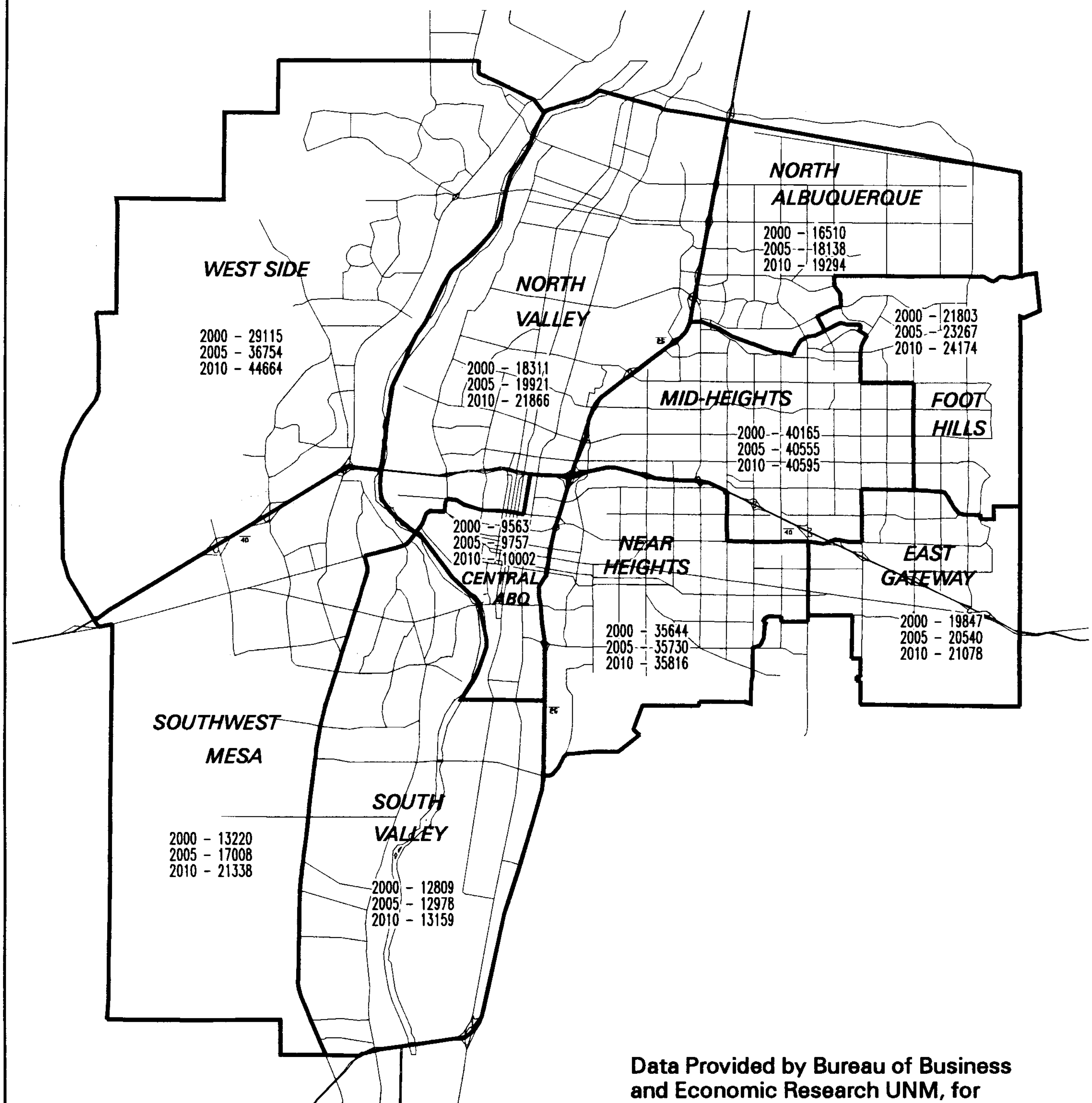
Map 1.5
EMPLOYMENT BY COMMUNITY PLANNING AREA



Data Provided by Bureau of Business and Economic Research UNM, for the City of Albuquerque Planning Department.

Map Printed February 17, 2000

Map 1.6
HOUSING UNITS BY COMMUNITY PLANNING AREA



Data Provided by Bureau of Business and Economic Research UNM, for the City of Albuquerque Planning Department.

Map Printed February 17, 2000