

**CITY of ALBUQUERQUE
TWENTY SECOND COUNCIL**

COUNCIL BILL NO. R-16-93 ENACTMENT NO. _____

SPONSORED BY: Brad Winter, by request

1 RESOLUTION
2 DESIGNATING THE CORONADO METROPOLITAN REDEVELOPMENT AREA,
3 MAKING CERTAIN FINDINGS AND CONCLUSIONS PURSUANT TO THE
4 METROPOLITAN REDEVELOPMENT CODE, AND AUTHORIZING AND
5 DIRECTING THE METROPOLITAN REDEVELOPMENT AGENCY TO PREPARE
6 A METROPOLITAN REDEVELOPMENT PLAN FOR THE CORONADO
7 METROPOLITAN REDEVELOPMENT AREA.

8 WHEREAS. Section 3-60A-1 NMSA 1978 of the Metropolitan Redevelopment
9 Code (“MR Code”) (Sections 3-6-A-48 NMSA 1978) states: “A municipality
10 shall not prepare a metropolitan redevelopment plan for an area unless the
11 governing body by resolution determined the area to be a slum area or
12 blighted area, or a combination thereof, and designated the area as
13 appropriate for a metropolitan redevelopment project.”; and

14 WHEREAS, the City of Albuquerque (“City”) and the Metropolitan
15 Redevelopment Agency (“MRA”) of the City’s Planning Department and their
16 employees and agents, have for some time, engaged in a study of blighted
17 areas within the City and have submitted their findings and conclusions
18 concerning the area detailed in the Coronado Metropolitan Redevelopment
19 Area (“Coronado MR Area”) Designation Report, which is attached as Exhibit
20 A to this Resolution and incorporated herein by reference; and

21 WHEREAS, pursuant to Section 30-60A-8 NMSA 1978 of the MR code, the
22 Council caused to be published in the Albuquerque Journal, a newspaper of
23 general circulation, a notice containing a general description of the proposed
24 Coronado MR Area and the date, time and place where the Council will hold a
25 public hearing to consider the adoption of this resolution; and

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1 WHEREAS, the Council has considered the Designation Report, including
2 Findings, Determinations, and Conclusions in addition to the questions and
3 comments submitted by members of the public concerning the proposed
4 Coronado MR Area.

5 BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
6 ALBUQUERQUE:

7 SECTION 1. The City Council makes the following Findings of Fact with
8 respect to the designation of the Coronado MR Area:

9 A. The Coronado MR Area is shown on the map attached hereto as Exhibit

10 A. The boundary of the Coronado MR Area includes the privately owned
11 property located at 9201 Pan American Freeway, that is not zoned
12 residentially for single family use within the area bounded by San Diego
13 Avenue to the north, the southbound frontage road of Interstate 25 (“I-
14 25”) to the east, Modesto Avenue to the south and San Mateo Boulevard
15 to the west, in addition to the public right-of-way along San Mateo
16 Boulevard between Modesto Avenue and Alameda Boulevard.

17 B. The Coronado MR Area had exhibited the following conditions: (1) Poor
18 and Aging Public Infrastructure: The Coronado MR Area is lacking in
19 public infrastructure. The overall condition of the roads is poor due to
20 settling and compaction of the land they were constructed on.

21 Additionally there are no sidewalks present in the MR Area creating an
22 unsafe environment for pedestrian and motorists. The South La Cueva
23 Channel was built to temporary standards and is maintained with
24 temporary erosion and control measures. (2) Environmental Issues: The
25 MR Area is in the location of a former landfill that was operated by the
26 City of Albuquerque from 1963 to 1965. Much of the trash and debris
27 has been removed and additional remediation and monitoring efforts
28 are needed. (3) Low Levels of Commercial or Industrial Activity: There
29 currently exist large amounts of vacant land and obsolete buildings in
30 the area. These conditions have led to blight within the Coronado MR
31 Area as defined by the MR code: (1) Low levels of commercial activity or
32 redevelopment or any combination of such factors; (2) Deterioration of
33 site or other improvements; (3) insanitary and unsafe conditions; and

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1 (4) area where a significant number of commercial or mercantile
2 businesses have closed or significantly reduced their operations due to
3 the economic losses of loss of profit due to operating in the area [and]
4 low levels of commercial or industrial activity or redevelopment.

5 C. The rehabilitation, conservation, redevelopment or development, or a
6 combination thereof, of and in the Coronado MR Area is necessary in
7 the interest of the public health, safety, morals or welfare of the
8 residents of Albuquerque.

9 SECTION 2. In accordance with the requirements of Section 3-60A-8 NMSA
10 1978, the Council hereby designates the area that is described in Section 1.A
11 above, and shown in the official Coronado MR Boundary map attached hereto
12 as Exhibit A, to be a 'metropolitan redevelopment area' as defined by Section
13 3-60A-4 (M) NMSA 1978 and finds it to be appropriate for a metropolitan
14 redevelopment project or projects. This area shall be referred to as the
15 Coronado MR Area to distinguish it from other metropolitan redevelopment
16 areas.

17 SECTION 3. The MRA of the Planning Department is hereby authorized and
18 directed to prepare a Metropolitan Redevelopment Plan, as defined by Section
19 3-60A-4 (N) NMSA 1978, for the Coronado MR Area, which, without limitation,
20 shall: (1) Seek to eliminate the problems created by the blighted conditions of
21 the area; (2) Conform to and coordinate with the Albuquerque/Bernalillo
22 County Comprehensive Plan, any applicable Rank 2 and 3 plans, and any
23 other applicable plans or policies; and (3) Be sufficient to indicate the
24 proposed activities to be carried out in the area, including, but not limited to,
25 any proposals for land acquisition, redevelopment, improvements,
26 rehabilitation and conservation and the plan's relationship to definite local
27 objectives respecting land uses, improved traffic patterns and controls, public
28 transportation, public utilities, recreational and community facilities, housing
29 facilities, commercial activities or enterprises, and other public improvements.

30 SECTION 4. SEVERABILITY CLAUSE. If any section, paragraph, sentence,
31 clause, word or phrase of this resolution is for any reason held to be invalid or
32 unenforceable by any court of competent jurisdiction, such decision shall not
33 affect the validity of the remaining provisions of this resolution. The Council

1 hereby declares that it would have passed this resolution and each section,
2 paragraph, sentence, clause, word or phrase thereof irrespective of any
3 provisions being declared unconstitutional or otherwise invalid.

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City of Albuquerque PLANNING DEPARTMENT

Richard J. Berry, Mayor

Interoffice Memorandum

August 29, 2016

To: Dan Lewis, President, Albuquerque City Council

From: Richard J. Berry, Mayor 

Subject: Coronado Metropolitan Redevelopment Area Designation

Attached for your review is the Coronado Metropolitan Redevelopment Area Designation Report. This Redevelopment Area Designation Report outlines the existing blighted conditions in the area and shows the need for the designation of the subject area as a Metropolitan Redevelopment Area. The designation has received neighborhood support.

The State Metropolitan Redevelopment Code requires a municipality to comply with the New Mexico Redevelopment Law [3-60A-5 to 3-60A-13, 3-60A-14 to 3-60A-18 NMSA 1978] concerning public hearing and designation of an area as a metropolitan redevelopment area, and to prepare or cause to be prepared a metropolitan redevelopment plan. A redevelopment area plan is required to implement plans for redevelopment activities within a designated metropolitan redevelopment area. Designation of a metropolitan redevelopment area is based on findings of blighted conditions, as defined in the Redevelopment Law (3-60A-8).

This Metropolitan Redevelopment Area designation is vital for further redevelopment activities in the northern corridor area. This Metropolitan Redevelopment Area Designation Report has had significant neighborhood input, involvement, and support. The proposed Coronado Metropolitan Redevelopment Area designation identifies three areas of blighted conditions: 1) Poor and aging public infrastructure; 2) Existing environmental issues; and 3) Low levels of commercial or industrial activity.

The Coronado Metropolitan Redevelopment Area Designation is based on findings of blighted conditions as defined in the Metropolitan Redevelopment Code (3-60A-8). Also attached are the resolution, cover analysis, fiscal impact analysis, the Coronado Metropolitan Redevelopment Area Designation Report (August 2016 draft) and August 18, 2016 Albuquerque Development Commission meeting minutes and staff report. This is being forwarded to the City Council for final approval and adoption.

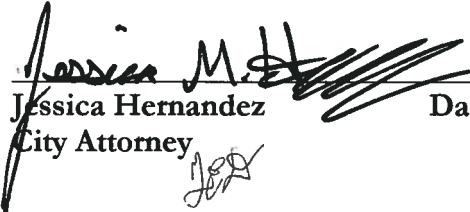
Subject: Coronado Metropolitan Redevelopment Area Designation

Recommended:



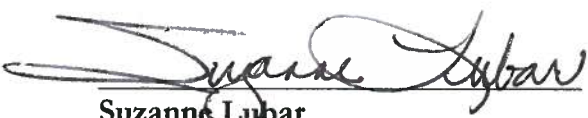
Robert J. Perry Date
Chief Administrative Officer 9/1

Approved as to Legal Form:



Jessica Hernandez Date
City Attorney 9/01/16

Recommended:



Suzanne Lubar
Director, Planning Department

8/30/16
Date

Cover Analysis

1. What is it?

Adoption of the Coronado Metropolitan Redevelopment Area Designation.

2. What will this piece of legislation do?

It will adopt the area boundary and designation for the Coronado Metropolitan Redevelopment Area based on findings of blighted conditions currently present.

3. Why is this project needed?

Designation of the Coronado Metropolitan Redevelopment Area will allow the Metropolitan Redevelopment Agency to create a Metropolitan Redevelopment Plan for the area with the goal of identifying strategies to remove blight and revitalize the area.

4. How much will it cost and what is the funding source?

No funding source is required for the designation of this Metropolitan Redevelopment Area.

5. Is there a revenue source associated with this contract? If so, what level of income is projected?

This question does not apply to this legislation designating a Metropolitan Redevelopment Area.

6. What will happen if the project is not approved?

The area will not be designated as a Metropolitan Redevelopment Area, and the Metropolitan Redevelopment Agency will not be able to develop a Metropolitan Redevelopment Plan to help remove blight, increase economic activity and improve the area and surrounding community.

7. Is this service already provided by another entity?

No, this service is not being provided by another entity.

FISCAL IMPACT ANALYSIS

TITLE: Coronado Metropolitan Redevelopment Area Designation R: O:
 FUND: 275
 DEPT:

- No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.
- (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

	2017	Fiscal Years 2018	2019	Total
Base Salary/Wages				-
Fringe Benefits at				-
Subtotal Personnel	0	0	0	0
Operating Expenses				-
Property				-
Indirect Costs				-
Total Expenses	\$ -	\$ -	\$ -	\$ -
<input checked="" type="checkbox"/> Estimated revenues not affected				
<input type="checkbox"/> Estimated revenue impact				
Revenue from program				0
Amount of Grant				
City Cash Match				
City Inkind Match				
City IDOH				
Total Revenue	\$0	\$0	\$0	\$0

These estimates do not include any adjustment for inflation.

* Range if not easily quantifiable.

Number of Positions created

COMMENTS: There is no monetary or fiscal impact from the approval of this resolution.

COMMENTS ON NON-MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:

PREPARED BY:

Dicki Pulhadi
 FISCAL ANALYST

APPROVED:

Jacqueline Sugar 8/30/16
 DIRECTOR (date)

REVIEWED BY:

E. Moore
 EXECUTIVE BUDGET ANALYST

Donald E. Romo 8-30-16
 BUDGET OFFICER (date)

Jacqueline Sugar
 CITY ECONOMIST

City of Albuquerque

Coronado

Metropolitan Redevelopment Agency (MRA) Area Designation Report

To Be Presented To the Albuquerque City Council



Richard Berry, Mayor

City Council

Brad Winter, District 4

Albuquerque Planning Department

Suzanne L. Lubar, Director

Metropolitan Redevelopment
Agency

Rebecca Velarde, Manager

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The proposed Coronado Metropolitan Redevelopment Area encompasses 72.75 acres, including 59.66 acres of private property and 13.09 acres of public right-of-way. The private property, which is primarily vacant, is zoned for mixed-use development and has the potential to have multi-family, retail and commercial uses located on the site. The area was once the location of a former landfill, and although some remediation has occurred, there are still remaining portions of the landfill that exist. Additionally, much of the public infrastructure within the area is either nonexistent or deteriorating. This plan would allow for public Metropolitan Redevelopment funds to be used to update aging infrastructure and provide for other publically funded projects within the proposed Metropolitan Redevelopment Area.

Introduction

In order to take advantage of the state Metropolitan Redevelopment Code, § 3-60A-1, et seq., NMSA 1978 (“MR Code”), the City of Albuquerque passed the Metropolitan Redevelopment Agency Ordinance, § 14-8-4-1, et seq., ROA 1994 (“MRA Ordinance”). The MR Code requires that a geographical area be declared “a blighted area” and there be a finding that the rehabilitation, conservation, redevelopment or development, or a combination thereof, in the designated area is necessary in the interest of the public health, safety, morals or welfare of the residents before a municipality can exercise the powers conferred by the MR Code (§ 3-60A-7, NMSA 1978). The Albuquerque City Council has reserved to itself the power to declare an area blighted, through the MRA Ordinance (§ 14-8-4-3 (A), ROA 1994). However, in creating the Albuquerque Development Commission (“ADC”) as an advisory body and designating it the board of commissioners for the MRA, it is appropriate for the City Council to look to the ADC for recommendations regarding the existence, extent and eligibility of appropriate areas of the City to be declared blighted (§ 14-8-6-2 (C), ROA 1994). This designation report is submitted to the ADC for its recommendation to the City .

This designation report, regarding the proposed boundary for the Coronado Metropolitan Redevelopment Area (“MR Area” or “Coronado MR Area”), is based on analysis of existing conditions and public input from community meetings held on June 14, 2016 and August 8, 2016. The questions and comments from those community meetings can be found in Appendix A.

As shown on the map in Figure 1, the proposed MR Area includes the area bounded by San Diego Avenue to the north, the southbound frontage road of Interstate 25 (“I-25”) to the east, Modesto Avenue to the south and San Mateo Boulevard to the west in addition to the public right-of-way along San Mateo Boulevard between Modesto Avenue and Alameda Boulevard. The MR Area consists of 72.75 acres, including 59.66 acres of private property (the “Property”). As shown in Figure 2, the proposed Coronado MR Area and the surrounding areas are zoned for a mix of uses.

The Metropolitan Redevelopment (MR) staff believe it is clear that this proposed site would benefit from being designated a Metropolitan Redevelopment Area. Furthermore, the description of the current conditions of the site will confirm that the proposed designation qualifies under §3-60A-4, NMSA 1978 of the MR Code as a “blighted area.”

The recommendation of staff is to approve the proposed boundary of the Coronado Metropolitan Redevelopment Area. Following consideration of the MR Area designation, the MRA will present an MR Plan in order to promote real estate redevelopment, invest in infrastructure in the area, improve conditions for community and improve the overall health, safety and economic diversity within areas of the Coronado Metropolitan Redevelopment Area.

“Blighted Area”

Means an area within the area of operation other than a slum area, which, by reason 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 the 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 subdivisions or lack of adequate facilities on 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 profit due to operating in the area, low levels of commercial or industrial activity or redevelopment, or any combination of such factors, which impairs or arrests the sound growth and economic health and well-being of a municipality or locale within a municipality or an area which regards 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 conditions of use (MR Code, § 3-60A-4, NMSA 1978).



Figure 1. Proposed Coronado Metropolitan Redevelopment Area

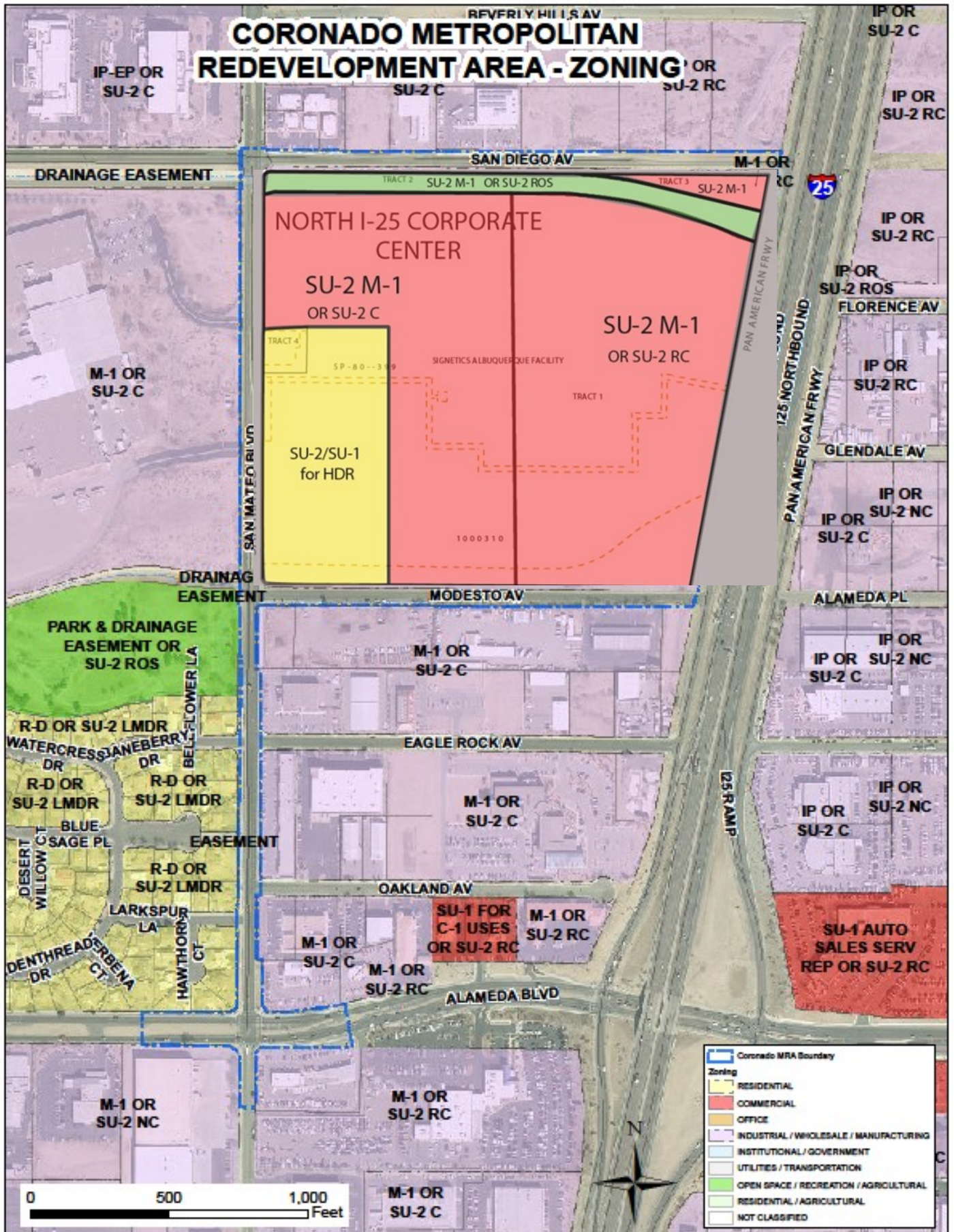


Figure 2. Current Zoning for Proposed Coronado Metropolitan Redevelopment Area

Causes for Blight in the Coronado Metropolitan Redevelopment Area

In order for an area of the City to be designated as a Metropolitan Redevelopment Area, certain conditions of blight must be demonstrated as described in the state’s MR Code (§ 3-60A-1, et seq., NMSA 1978). Through its analysis, the MRA has identified three categories: poor and aging infrastructure, environmental issues, and low levels of commercial and industrial activity, which all show why the proposed area should be considered an MR Area. The MRA acknowledges that other conditions that contribute to blight may exist.

1. Poor/Aging Public Infrastructure

Public infrastructure consists of any improvements or facilities that are readily used by the public and are not privately owned. This includes, but is not limited to, public streets, sidewalks, street lights, street furniture and utility poles.

The overall condition of the roads within the MR Area is poor due to settling and compaction of the landfill that they were placed on, in addition to other factors. Likewise, there are no sidewalks on the north, south, east or west sides of the Property, which does not make the area safe for pedestrians.

Next, drainage is an issue for the Property as there are two drainage easements along both the north and south sides of the property. The North La Cueva Channel, managed by Albuquerque Metropolitan Arroyo Flood Control Authority (“AMAFCA”), is along the north portion of the Property. The City of Albuquerque’s South La Cueva Channel is along the south portion. The South La Cueva Channel was built to temporary standards and is maintained with temporary erosion and flow control measures. Figure 3 shows three examples of existing infrastructure conditions.

Deteriorating public infrastructure and the absence of public infrastructure demonstrate that the proposed MR Area is blighted as defined by the MR Code as it creates “unsafe conditions” and it shows “deterioration of site or other improvements” (§ 3-60A-4, NMSA 1978).



Figure 3. Infrastructure Deficiencies in the MR Area. From Left to Right: Expanding and Contracting Road Conditions, Deteriorating Drainage Channel, Lack of Sidewalks

Causes for Blight in the Coronado Metropolitan Redevelopment Area

2. Environmental Issues

Spanning from the current Modesto Avenue to Venice Avenue, a major City Landfill operated from 1963 to 1965 before being closed to make way for development in this area. As shown in Figure 4, there have been significant remediation efforts made to remove trash and debris from the former landfill in order to facilitate and encourage future development. Additional remediation and monitoring efforts are still needed. As seen in Figure 5, locations of trash and debris that still remain include areas beneath San Mateo Boulevard, near San Diego Avenue, within the City of Albuquerque’s South La Cueva Channel, near the AMAFCA North La Cueva Channel, and under and adjacent to the existing structure located at 9201 Pan American Freeway. The MR Code states the definition of blight includes: “insanitary or unsafe conditions” (§ 3-60A-4, NMSA 1978).



Figure 4. Excavated Landfill Waste on the Property

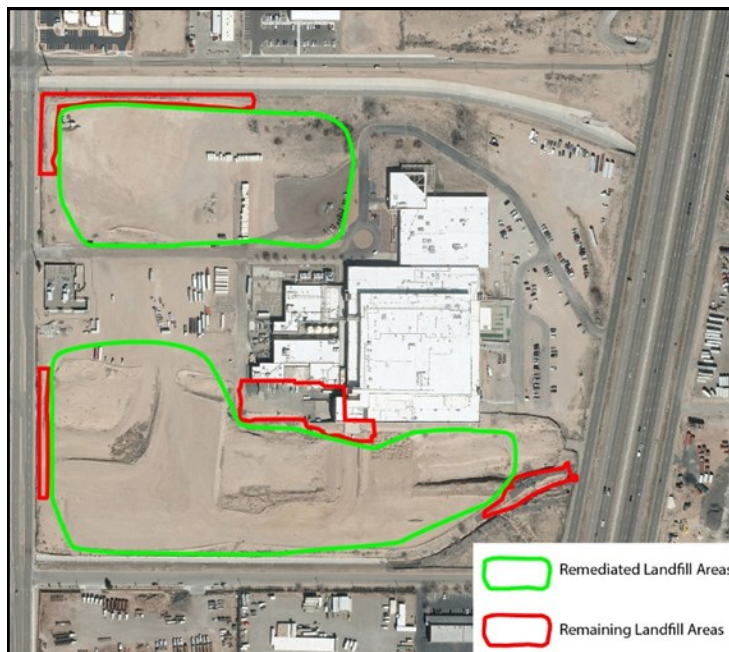


Figure 5. Map Showing Remediated and Remaining Landfill Areas

Causes for Blight in the Coronado Metropolitan Redevelopment Area

3. Low Levels of Commercial or Industrial Activity

The Property (See Figure 6) consists of approximately 59.66 acres. As shown in Figures 7 and 8, much of the Property is currently vacant except for one large underutilized building. Originally built in the early 1980's as a semiconductor facility, the 500,000 square foot building has become functionally obsolete and is in a state of disrepair.

In order for redevelopment to occur, major improvements would need to be made to the Property and the building currently located on it, in addition to the costs already incurred on the Property. The current owners have expended \$4.5 million dollars to prepare the site for redevelopment. The remaining costs of these improvements inhibit the Property's economic feasibility.

Estimated remaining costs include:

- \$2,000,000 for demolition of the existing facility
- \$250,000 for landfill remediation
- \$350,000 for a gas monitoring system
- \$800,000 for soil importation
- \$2,000,000 for reconfiguration and construction of the South La Cueva Channel

The current zoning allows for a wide variety of uses to be developed on the Property, including office, hotel, multi-family, hospitality, restaurant and retail. Between 2006 and 2016, more than fifty prospective users received proposals from the Property's current owners. Due to the high costs of remediation, demolition, infrastructure improvement and construction that would need to be incurred to prepare the Property for redevelopment, the current owners have not been able to find a user in a decade.

The definition of blight, as expressed in the MR Code includes: "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 [and] low levels of commercial or industrial activity or redevelopment" (§ 3-60A-4, NMSA 1978), which the MR Area exhibits.



Figure 6. The Property within the Proposed MR Area

Existing Property Conditions



Figure 7. Facility Currently on the Property



Figure 8. Facility Currently on the Property

Findings, Determinations, and Conclusion

It is the determination of the MRA that the existing conditions within the proposed Coronado Metropolitan Redevelopment Area meet the definition of “blight” as required for the designation by the MR Code (§ 3-60A-8), NMSA 1978). The current condition of the proposed MR Area “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” (§ 3-60A-4, NMSA 1978).

The MRA staff recommends the Albuquerque Development Commission recommend City Council approval of an MR Area designation for the Coronado Metropolitan Redevelopment Area based on the three categories previously outlined. Those categories include:

- **Poor/Aging Public Infrastructure**. The proposed MR Area includes poor/aging public infrastructure. Much of the area is completely lacking sidewalks, which creates unsafe conditions for pedestrians and motorists. Additionally, the existing roadways in the area are deteriorating due to the ground subsidence below the surface.
- **Environmental Issues**. Environmental issues are present in the proposed MR Area. Due to the remaining debris from a formal landfill, remediation and/or monitoring is necessary before any future development can occur.
- **Low Levels of Commercial or Industrial Activity**. The area is comprised of high levels of vacant land and an obsolete building, contributing to low levels of commercial or industrial activity.

Based on these findings, it is the determination of the MRA that this area should be designated as a Metropolitan Redevelopment Area. If the MR Area is approved by City Council, the MRA will utilize its powers, made available through MR Code, to seek implementation of an accompanying MR Plan which encourages revitalization and private investment within the Coronado Metropolitan Redevelopment Area.

Appendix A

Comments and Questions at a Public Meeting on the Proposed Coronado Metropolitan Redevelopment Area on June 14, 2016 and August 16, 2016.

- Can traffic calming measures be made to reduce the speed on San Mateo?
- Traffic is an issue on San Diego Avenue for the Balloon Fiesta.
- If the project site is developed will the intersection of Alameda and San Mateo have to be upgraded?
- Does the project site have any problems with the Frontage Road access?
- Will there be any access requested on the San Mateo Avenue (North) side of the site?
- Will the resident units be affordable?
- What are the issues with the North and South drains that cut through the site?
- The roadway of San Diego is constantly being patched because it was laid over the old landfill, will this need to be addressed?
- Can sidewalk improvements be done on the West side of San Mateo between San Diego Avenue and Modesto Avenue?
- There was an appreciation for the jobs that remained in the area due to the owner using the current building as a film studio.
- Will the site need a traffic study when the phased development takes place?
- Can San Mateo be made to reduce traffic for most of the year but for Balloon Fiesta could it be converted into multiple “temporary” lanes.
- Can San Mateo be made to reduce traffic and bike lanes and sidewalks added?
- Will monitoring wells be needed on the site as the site is developed?
- Are the original plans from 2008 for some Hotels to be located on the site still being considered?
- Will this designation make our taxes go up?
- Will there be plans to connect this site to any part East of I-25 with a fly over?
- Will construction vehicle traffic be traveling through the residential neighborhoods?
- Can construction traffic be minimized and directed to the north and away from residential neighborhoods?
- Will there be a traffic study completed on the intersection of San Mateo and Alameda Blvd.?
- Can measures be taken to reduce the dust and dirt dispersed into the air during construction?