



Legislation Text

File #: EC-21-404, Version: 1



06/24/2021

INTER-OFFICE MEMORANDUM

TO: Cynthia Borrego, City Council President

FROM: Timothy M. Keller, Mayor

SUBJECT:

Approval of Nuevo Atrisco Commercial Development & Disposition Agreement with Nuevo Atrisco, LLC

As provided in the New Mexico State Metropolitan Redevelopment Code and the Metropolitan Redevelopment Agency Ordinance for the City of Albuquerque, the MRA issued a Request for Proposals #03-2017 on March 28, 2017, soliciting development proposals for land owned by the City of Albuquerque. YES! Housing and Maestas Development Group, LLC (operating as Nuevo Atrisco, LLC for this project) responded to the RFP with a development proposal. The residential phase of the project, 88-units of workforce housing, was completed in 2020. The proposal includes retail, restaurants, and a public plaza. The proposal meets the West Central Metropolitan Redevelopment Plan by contributing to the area's economic growth, increasing attractiveness to private investment, and improving the overall physical appearance of the area.

The proposal was reviewed by a Selection Advisory Committee, and on June 17th 2021, the Albuquerque Development Commission voted to recommend City Council approve the negotiated Development Agreement with Nuevo Atrisco, LLC for the development of the commercial corner of the property.

Summary of Development Agreement Terms

- Developer shall construct at minimum 10,000 SF of retail space (which may include up to 2,400 sf of patio space) and a Public Plaza.
- The Public Plaza would include shade structures, interactive play and water features, tables and seating,

landscaping, a plaza structure (approximately 3,200sf), and 7 “Micro Restaurants (food trucks and other modular micro-structures for food service).

- The Developer shall ground lease and manage the Plaza for an initial term of 30 years, and shall be responsible for all operating and maintenance costs.
- Developer is required to activate the Plaza and host at least 52 public programming events per year (farmer's markets, music events, car shows, etc).
- Claw Backs include financial penalties for failure to activate the Plaza and leading to termination of the Plaza ground lease.
- The City would contribute One Million Eight Hundred Thousand Dollars (\$1,800,000) in General Obligation Bonds to the construction of the Public Plaza, and shall contribute the Retail Property land at no cost to Developer. The City will retain ownership over the Public Plaza, Plaza Structure, and other permanent improvements through the ground lease and after expiration or termination.
- The Developer will ensure that seventy-five percent (75%) of the retail and restaurant rentable square footage is occupied within one (1) year of the completion date, and the Developer will maintain an average occupancy of said retail and restaurant space(s) of seventy-five percent (75%) for two (2) additional years.

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Approved:

Approved as to Legal Form:

Sarita Nair
Chief Administrative Officer

Esteban A. Aguilar, Jr.	Date
City Attorney	

Recommended:

Lawrence Rael
Chief Operating Officer