



# 2023 ANNUAL REPORT



CITY OF ALBUQUERQUE  
METROPOLITAN REDEVELOPMENT AGENCY



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# LETTER FROM THE MAYOR



The Metropolitan Redevelopment Agency (MRA) is a unique and pivotal agency within the City of Albuquerque. With a focus on revitalization and redevelopment efforts, MRA has taken the lead on remarkable projects that are cultivating change and economic development across the city.

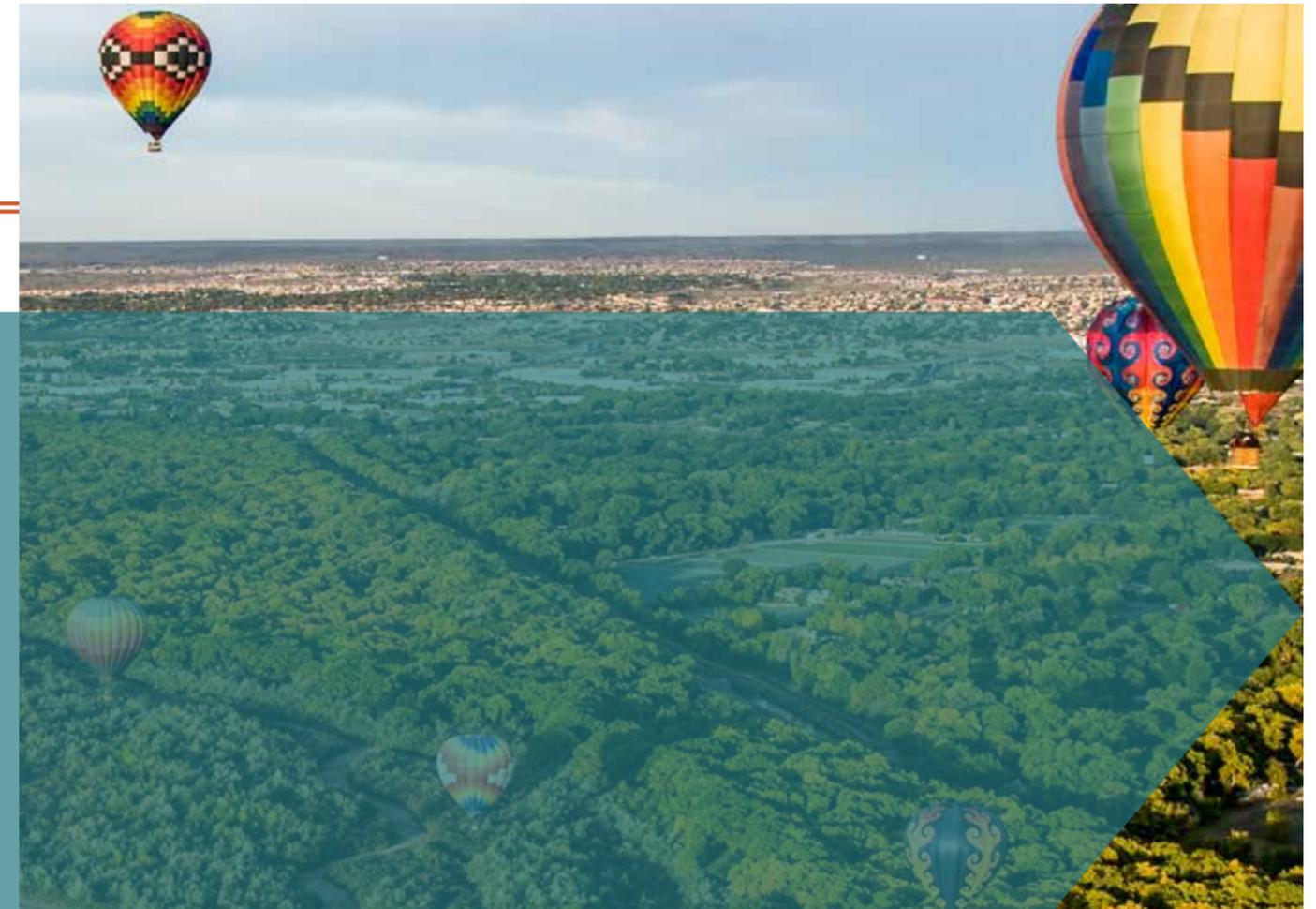
As we reflect on the past year's accomplishments, it is clear that our progress has put Albuquerque on an exciting trajectory towards a brighter and more vibrant future.

One of our most ambitious endeavors has been the Downtown Forward Plan. This strategic vision for the heart of our city aligns with our commitment to invigorate and transform

Albuquerque's downtown into a thriving, dynamic hub of culture, commerce, and community life.

As the driving force behind this multi-departmental endeavor, MRA advances our goals to foster economic growth and enhance the overall quality of life for our residents and visitors alike.

Concurrently, the Albuquerque Rail Trail is continuing its path forward, with the help of one of the world's top architects and Albuquerque resident, Antoine Predock. Predock has created an artistic vision for the bike and pedestrian trail, which will tell the story of "us" and our history through time.



From the first indigenous trade routes, through the colonial era, from the bustle of Route 66, to the modern era, Albuquerque has always been a city at the crossroads. That story transcends space and time, and will be honored through the Rail Trail. This project will bring visitors downtown, to the heart of Albuquerque.

In our pursuit of progress, we have not overlooked the need for supportive legislation. The recent changes in state legislation governing Metropolitan Redevelopment Areas have given us new tools to continue our mission.

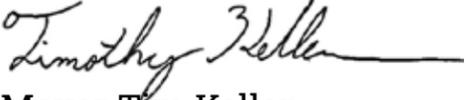
The updated statute paves the way for more significant and impactful transformations, unlocking

opportunities to create long-term prosperity for our city.

Together, we are creating a stronger, more vibrant Albuquerque, and I look forward to seeing the fruits of our labor take shape in the years to come. We invite you to explore this annual report, which provides a detailed overview of the MRA's accomplishments, ongoing projects, and our vision for the future.

Thank you for your continued partnership in making Albuquerque a better place for all of our families.

Sincerely,

  
Mayor Tim Keller



## OUR MISSION.

To make Albuquerque competitive in the global market by revitalizing downtown and the Central Avenue corridor, leading collaborative public-private partnerships that result in catalytic change, investing in sustainable infrastructure, and providing opportunities for local residents and businesses to thrive.

## OUR VISION.

Albuquerque, New Mexico's urban center, is the Southwest's premier mid-size city attracting economic investment and building a healthy and vibrant community that reflects our diversity, innovation, rich culture, and unique history. It is a city that ensures economic prosperity for all residents and where visitors dream to return.

# 2023 PIPELINE



 **323**  
Housing Units

 **58**  
Hotel Units

 **23k sq.ft.**  
Commercial Space

 **\$169M**  
Total Project Costs

 **9:1**  
Leveraged Investment

In FY 2023, four new projects were recommended for approval by the Albuquerque Development Commission and approved by City Council. All projects were recipients of Redevelopment Tax Abatements, the most flexible and lowest-barrier incentive offered by MRA.

The Redevelopment Tax Abatement program is a valuable incentive that has no fiscal impact on the City. No direct funds are provided to developers. Rather, it provides a 7-year reduction in taxes to developers to offset the costly first years of operation, allowing them to launch projects on a more stable financial footing.

The Downtowner, the largest of all current MRA projects, is a 218-unit mixed-use project right along the Albuquerque Rail Trail. The project will add live-work units and commercial space in the heart of downtown and fronting the future bicycle-pedestrian Albuquerque Rail Trail.

El Parador in the University MR Area and the Jefferson Townhomes in the Nob Hill/Upper Highland Redevelopment Area will each add 20 new housing units close to the Central Corridor.

The Pearl in the Historic Central MR Area will add 32 new housing units. These projects incorporate place-making, public art, and sustainable building practices that will help improve the physical environment of these Redevelopment Areas.

Projects already underway have been making significant progress.

Nuevo Atrisco currently features 88 units of workforce housing. The next phase of development is the public plaza, which will have restaurants, retail, and public spaces. The project was recently awarded additional funding by the State Legislature, which will enable the addition of a community room and teaching kitchen in the plaza.

Imperial Inn and Villa Agave are both slated for completion in early FY 2024, adding more units of housing and commercial space to the Downtown and EDO MR areas.

The Rail Trail, Albuquerque's innovative 7-mile bicycle-pedestrian trail project, gained significant momentum. Thanks to Senators Ben Ray Lujan and Martin Heinrich, the United State Congress awarded the Albuquerque Rail Trail an additional \$3M in federal earmark funds, bringing total funding for the Rail Trail up to \$39.5M.



As MRA invests public dollars in catalytic redevelopment projects, the value of the property - and consequently the tax base - increases. However, MRA currently has limited methods to recapture such funds spent on redevelopment projects.

A new state statute, SB-251, allows MRA to establish Tax Increment Financing Districts that collect property tax and gross receipts taxes<sup>1</sup> and allow MRA to invest the funds in public and private projects over the course of a 20-year period. Final project details will be released in FY24.

TIF districts raise funds by collecting the difference between the existing tax base and the newly generated property and gross receipts taxes.

TIF Districts will target catalytic projects on vacant and/or underutilized land that has a low likelihood of development.

By activating the land through catalytic development projects and collecting and redistributing the incremental value of the property and gross receipts taxes into new projects, MRA will support increased jobs and housing in high-need areas. After the 20-year TIF period, it is estimated that the city will have a greatly elevated tax base.

This strategy has promise to exponentially increase the property and GRT tax base in a way status quo could not.

# MR TIF DISTRICT

## Metropolitan Redevelopment Tax Increment Financing District

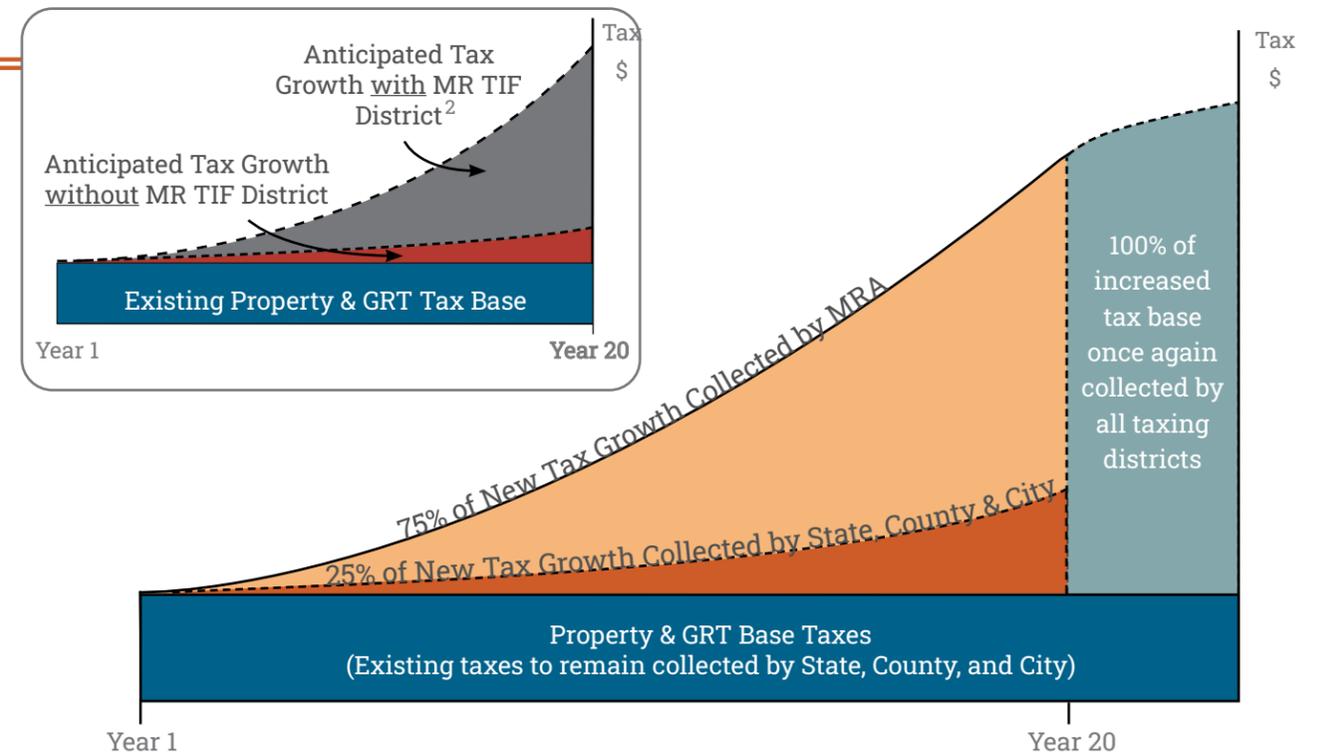
At the 2023 State legislative session, MRA supported changes to the statute governing Metropolitan Redevelopment Areas statewide, increasing their ability to complete work in designated Redevelopment Areas across New Mexico.

Under these state-level changes, Albuquerque's MRA will be able to expand its ability to offer development incentives for projects in Redevelopment Areas.

The new legislation also grants metropolitan redevelopment agencies

the ability to create special Tax Increment financing (TIF) districts in our Redevelopment Areas. These TIFs can collect up to 75% of the incremental growth of state, County, and City gross receipts and property taxes captured in designated areas.

The new law takes effect in July 2024 and has the potential to exponentially increase the MRA's ability to support needed public and private projects, including workforce and affordable housing, in selected areas of the city.



<sup>1</sup> School Districts and AMAFCA continue to collect their share of all growth in taxes first; then, the remaining (which would normally be split between the State, County, and City) are subject to the MRA TIF District 75%-25% split.

<sup>2</sup> Graphs are based on projections by SB Friedman Associates analysis tracking tax growth trends in the greater Downtown area and assuming a minimum level of initial MRA investment.



Antoine Predock's Design Renderings

# ALBUQUERQUE RAIL TRAIL

The Rail Trail will be an iconic and artistic pedestrian parkway that reflects Albuquerque's vibrant history and cultural diversity. This 7-mile bike and walking loop will be our "Trail of Enchantment." It will not only connect Downtown, Old Town, and the Rail Yards, it will tell the story of this place our families call home.

The overall vision for the trail is to literally tell our story, of who we are as a people, of this land we love and our history through time. Walking the trail will entertain users with a rich tapestry of our life in "the city at the crossroads" over the centuries through art and design.



**DID YOU KNOW?** The Rail Trail project was part of the Mayor's Institute on City Design, Just City Mayoral Fellowship in FY 2023.

Mayor Tim Keller, the Metropolitan Redevelopment Agency, and the Office of Equity and Inclusion proposed the Rail Trail as a part of the Mayor's Institute on City Design (MICD). The 2023 Fellowship helped mayors develop and strengthen approaches to embedding justice and equity goals within government policy and practices, as well as design strategies for achieving more just and equitable outcomes within the communities of each city.



Mayor Keller (left) at MICD

The work done under this program helped build the foundation for the "Advancing Inclusive Growth through the Albuquerque Rail Trail report," which will be released in 2024.



Pland Collaborative Rendering

The City of Albuquerque has now secured \$39.5M in local, state, and federal funding for this project, funding roughly half of the total expected costs to design and build the trail. With this funding, the City of Albuquerque has moved key aspects of the project into engineering design, with construction slated for future years.

In FY 2023, world-renowned local architect Antoine Predock was hired to further this vision. His artistic and architectural expertise will help the Rail Trail to tell a story of Albuquerque’s history.

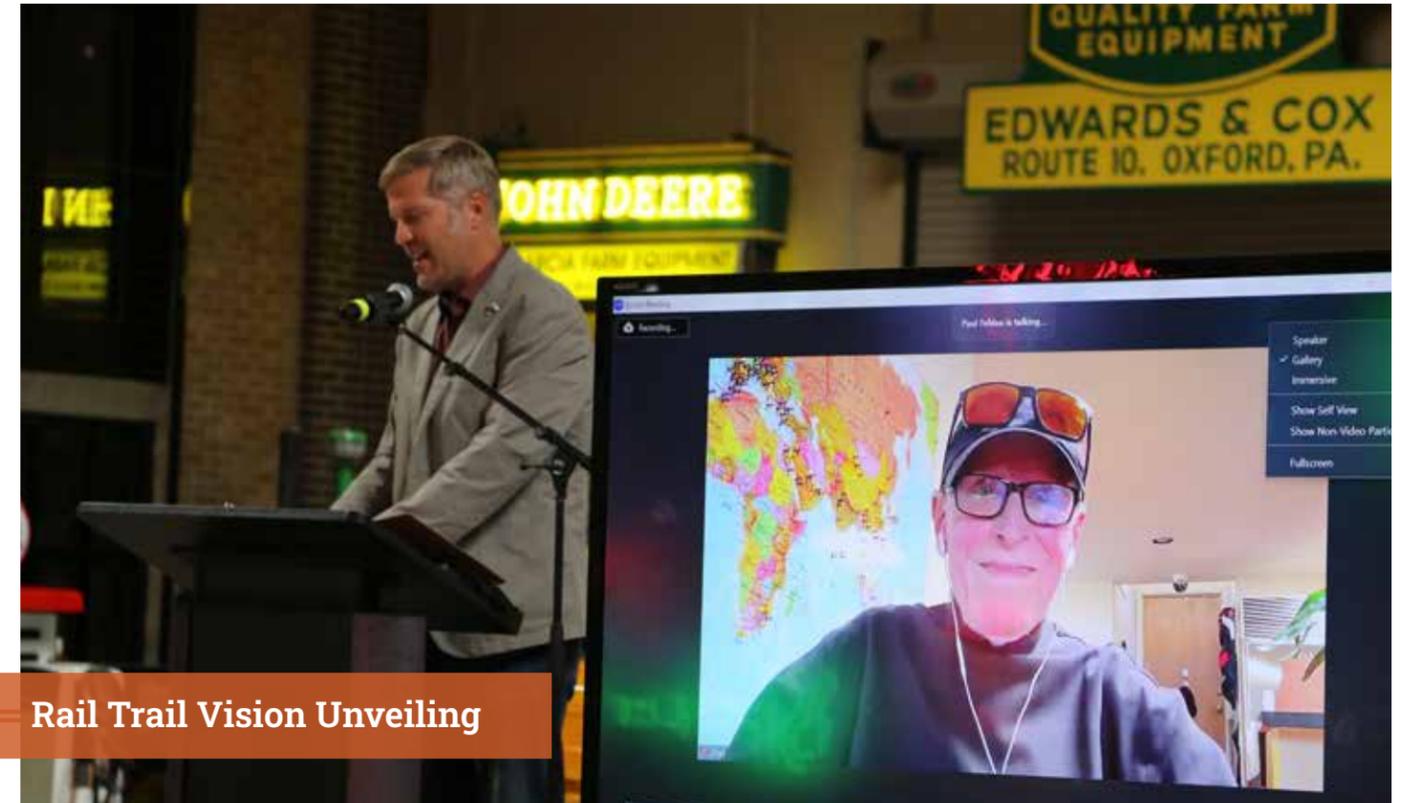
Albuquerque’s rich history, dating back to the first indigenous trade routes and spanning through the colonial era, the Route 66 era, and into the present day, has continually positioned the city at the crossroads. This enduring narrative transcends both space and time, and it is

celebrated in the vision for the Rail Trail.

Throughout the length of the trail there will be distinct zones, which celebrate the culture and history of that area. “Plazitas” along the Rail Trail will serve as access points and gathering spots for activity and community.

The gateway to this vision will be a completely redesigned crossing into downtown at Central Avenue and 1st Street. Trail users will enter downtown via an at-grade crossing with a monumental tumbleweed sculpture over the road.

The image of a tumbleweed rolling down the road is part of every Burqueño’s experience and is enshrined in pop culture. The tumbleweed represents our resilience and ability to both be grounded by our roots and move forward.



Rail Trail Vision Unveiling



Pland Collaborative Rendering



# DOWNTOWN FORWARD

Our city's visionary initiative for urban revitalization

In the fall of 2022, the City of Albuquerque released the Downtown Forward Plan: An action plan to create a safe, vibrant, and inclusive community.

In just one year, Downtown Forward has ignited a remarkable transformation in the heart of our community. With commitment through public-private partnerships and a collaborative spirit, we have achieved remarkable progress, breathing new life into our downtown core.

This past year has seen safety improvements through cameras, lighting, and accessible community policing. Forty-five new cameras have been installed in Downtown parking garages, and lighting improvements

to our Downtown alleys and roadways include 24 new alleyway lights and 34 new roadway lighting poles.

Housing projects are underway, including The Downtowner, Villa Agave, and The Imperial Inn. These projects not only collectively add over 250 units of housing, but also foster a sense of vibrancy and invigorate our local economy.

Our commitment to green spaces has also flourished, with the Downtown beautification plan, "Let's Plant Albuquerque!", which planted 13 street trees along Central Avenue. As part of the City's ongoing efforts to reduce carbon emissions and foster a greener tomorrow, a fleet of five electric buses has been introduced to the public transportation system.

1

MAKE DOWNTOWN SAFE

2

EXTEND COMPASSION & ASSISTANCE

3

OFFER PEOPLE SOMETHING TO DO

4

BUILD MORE HOUSING

5

ANCHOR, CONNECT, & CATALYZE

6

INVEST IN OUR CLIMATE FUTURE

7

CREATE REDEVELOPMENT TOOLS



Let's Plant Albuquerque!

The arts and cultural scene has thrived, as we've hosted Bands of Enchantment at the KiMo Theatre, along with exhibitions, and performances, attracting residents and visitors alike.

We're proud to report that Downtown Forward is not merely a vision but a reality, as we continue to revitalize and reimagine our city's center for a brighter, more connected future.





Signing of the Menaul MRA Plan

The Menaul MRA Plan identifies a wide range of recommendations and actions that are intended to reverse the area's distressed physical and economic conditions.

THE ACTIONS AND STRATEGIES ARE SUMMARIZED INTO THE FOLLOWING:



# MENAU MRA PLAN

The Albuquerque City Council adopted a new Metropolitan Redevelopment Area along the Menaul Boulevard corridor just west of the North Diversion Channel and between Interstate 40 and 25.

Building off hospitality as an anchoring industry and the high opportunity for new construction and redevelopment, the Menaul MRA holds enormous potential to catalyze into a truly mixed-use district with multi-family housing and additional commercial uses.



Subject Area Map

# PALLADIUM TOWNHOMES

## PROJECT HIGHLIGHT



Homewise, Inc. partnered with MRA to develop the remaining lots between 3rd & 4th along Silver Ave in the Downtown MR Area. The Palladium Townhomes officially completed construction this fiscal year, resulting in 16 new townhomes between 2 and 3 bedrooms each, offering modern amenities and spacious outdoor

balconies. A third of the units are income-restricted to create affordable homeownership opportunities.



The project involved a creative use of New Market Tax Credits (NMTC) to allow the delivery of affordable housing. The NMTC program attracts private capital into communities needing investment by allowing investors to receive a federal income tax credit in exchange for making equity investments in community development projects. In this case, that equity investment helped to lower the market rate price to make Palladium a mixed income Homewise Homes community.

MRA closed the fiscal year with a robust \$16,411,791 in available funds for redevelopment, which includes an increase to the MRA General Fund account of \$3.4 million over the prior fiscal year. MRA funds its operations in a variety of ways, including General Obligation bonds, state capital outlay, funds transfers approved by the Albuquerque City Council and other City Departments, loan repayments, as well as revenues from program fees.

# FINANCIAL REPORT

MRA FY23 Financial Snapshot\*

**MRA FUND 275 UNENCUMBERED BALANCE 6/30/2023**  
**\$10,726,432**



PROJECT FUND	TOTAL APPROPRIATED	TOTAL EXPENDED	ENCUMBERED FUNDS	UNENCUMBERED FUNDS
PROPERTY MGMT.	\$6,889,134	\$5,731,235	\$238,720	\$919,179
ABQ DEVELOPMENT SERVICES	\$3,313,208	\$2,723,425	\$-	\$589,782
DOWNTOWN REDVLPMENT	\$1,611,804	\$1,569,925	\$11,066	\$30,812
OFFICE ECONOMIC DEV.	\$217,841	\$195,682	\$-	\$22,159
W. CENTRAL REDEVELOPMENT	\$525,000	\$523,170	\$-	\$1,830
MRA ACCOUNT	\$9,582,795	\$400,262	\$2,016,267	\$7,166,266
RAILYARD FILM	\$124,650	\$26,434	\$4,089	\$94,127
MRA FILM	\$1,000	\$-	\$-	\$1,000
EAST DOWNTOWN	\$2,795,771	\$630,000	\$700,000	\$1,465,771
SAWMILL- ARTS/ ENTERTAINMENT	\$500,000	\$22,259	\$474,235	\$3,506
ROUTE 66 & HISTORIC SIGN REHAB	\$432,000	\$-	\$-	\$432,000
<b>TOTAL</b>	<b>\$25,993,203</b>	<b>\$11,822,392</b>	<b>\$3,444,377</b>	<b>\$10,726,432</b>

At the close of FY23, MRA also had \$5,213,978 remaining in various bond and grant funds available strictly for public infrastructure and public planning efforts.

*\*Adapted from the June 2023 Department of Municipal Development CIP Financial Status Report*

# MEET THE TEAM

## THE METROPOLITAN REDEVELOPMENT AGENCY

Terry Brunner serves as the Director of the Metropolitan Redevelopment Agency (MRA). He is the former CEO of Pivotal New Mexico, a non-profit devoted to increasing funding to local non-profit and public projects. In the past he served as President Barack Obama's appointee to the position of New Mexico State Director for USDA Rural Development. He has also served as U.S. Senator Jeff Bingaman's State Director and campaign manager.

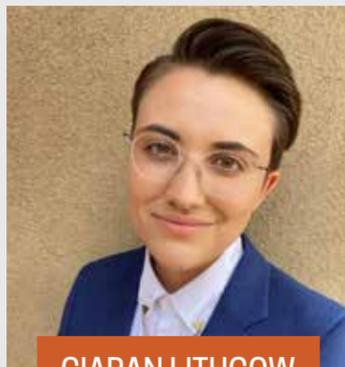


TERRY BRUNNER



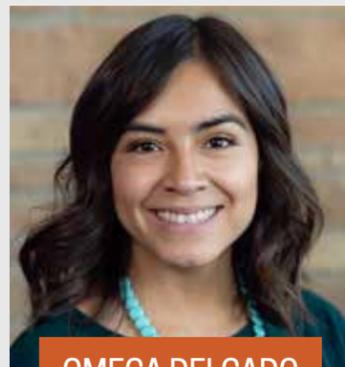
JENNY JACKSON

Jennifer Jackson, MRA Manager, has supported a range of state and local government entities and nonprofits on economic development, infrastructure, workforce training, and education projects. Prior to joining the City, she operated her own firm, Jackson Writing and Research, in addition to her role as a Senior Resource Development Officer at The Grant Plant. She has helped her clients win more than \$95 million in federal grants and contracts to-date, in addition to millions in other state and local awards.



CIARAN LITHGOW

Project Manager



OMEGA DELGADO

Project Manager



SARAH ALLEN

Public Information Officer



# CITY OF ALBUQUERQUE

Mayor Tim Keller

Samantha Sengel, CAO

Kevin Sourisseau, COO

Sanjay Bhakta, CFO

# ALBUQUERQUE DEVELOPMENT COMMISSION

Mona Ghattas

Fred Mondragon

Bill Miera

**CITY OF ALBUQUERQUE  
METROPOLITAN REDEVELOPMENT AGENCY**

**2023 ANNUAL REPORT**

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***DESIGNED BY: Sarah Allen, Metropolitan Redevelopment Agency***