



Tim Keller, Mayor

April 10, 2023

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**To:** Albuquerque Development Commission  
**From:** Ciaran Lithgow, Redevelopment Project Manager  
**Subject:** El Parador – Redevelopment Tax Abatement Application – Case #2023-04

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**Executive Summary.** 201 Yale LLC (“Applicant”) has applied for a Redevelopment Tax Abatement (“RTA”) for El Parador, located in the newly designated University MR Area at 201 Yale Blvd SE. The Applicant will build a three-story 20-unit multifamily project (“Project”). Location map, site plan, and conceptual renderings are included at the end of the Staff Report. The full application is attached as Exhibit A.

**Value of RTA.** The combined current property tax bills for the property is \$846, which the Applicant will continue to pay to the County. Following completion of the Project, the new annual property tax amount is estimated to be \$19,804. The estimated value of the property tax abated on the Project would be \$17,062 annually, or \$119,436 over a period of 7 years (taxes abated minus annual MRA fees).

**Detailed Report of Application.** The following section details how the project meets the RTA Threshold Criteria and Evaluation Criteria.

### RTA Threshold Criteria

Criteria	Staff Evaluation
<b>MR Area.</b> Projects must be located in a Metropolitan Redevelopment Area with an Approved Metropolitan Redevelopment Plan.	The project is located in the University MR Area, which adopted the University Area Metropolitan Redevelopment Plan in 2022.
<b>Site Control.</b> Applicant must have site control.	The Applicant owns both parcels.
<b>Minimum Project Size.</b> The scope of the Project must meet <u>one</u> of the following criteria: <ul style="list-style-type: none"> <li>• Total hard construction cost is at least \$2M <i>OR</i></li> <li>• A minimum of eight additional (new or converted space from a different use) residential units are created; <i>OR</i></li> <li>• A minimum of 15,000 sq. ft. of commercial space is created or put into active use</li> </ul>	The Project meets two of the minimum project sizes: <ul style="list-style-type: none"> <li>• Total project cost is \$4.3M</li> <li>• The project adds 20 housing units.</li> </ul>
<b>Community Benefit.</b> A Project must achieve a minimum Community Benefit score of 100 based on the Community Benefit Matrix in Appendix B.	The project scores 105 points. See the Community Benefits Matrix below for details.

Community Benefit Criteria	Points Earned
<b>Sustainability</b>	
<u>On-Site Solar.</u> Rooftop will be built to be solar-ready with necessary electrical infrastructure and structural support.	20
<b>Economic Development</b>	
<u>Creates missing-middle development.</u> The project is a medium-size infill project that adds an exciting texture to the urban core. <i>The construction project costs are between \$1M - \$3.99M.</i>	25
<u>Adds Density.</u> Projects in MRA are in areas of change. MR areas should maximize the allowable density to create vibrant urban districts. 50 – 99.99 dwelling units/acre – 25 points <i>The Project adds density at 52 dwelling units/acre.</i>	25
<b>Community Benefits</b>	
Culture & Art. Project includes a mural that is at least 150 sq.ft. or other significant artistic features such as a large sculpture, artistic lighting, etc. Art must be located within prominent public view. <i>The Project will install a mural, to be at least 150 sq.ft., on the exterior stairwell facing Yale.</i>	15
<b>Diverse/Local Team</b>	
Developer is a local business	10
General contractor is a local business	10
<b>Total Points Earned</b>	<b>105</b>

## RTA Evaluation Criteria

**Criteria A: Removal of Blighted Conditions and Conformance with Metropolitan Redevelopment Area Plan.** The applicant must demonstrate that the Project meets the relevant Metropolitan Redevelopment Plan goals.

- **Project results in the removal of slum or blighted conditions.** The project will redevelop an underutilized surface parking lot that has seen increased levels of loitering and trash, and which detracts from the pedestrian atmosphere.
- **Project furthers the goals and objectives of the adopted Metropolitan Redevelopment Area Plan.** The Project is identified as an Opportunity Site in the University MR Area Plan. It furthers the objectives in the Plan by:
  - Contributing to “a diverse mix of new housing options” by developing a new high-density project on a currently vacant, small (0.38 acre) lot.
  - “Improving the bicycle and pedestrian realm” by adding new streetscaping along Yale Boulevard, a prominent corridor in the MR Area.
- **Demolition of viable buildings has been/will be avoided.** There are no existing structures on the building.
- **Relocation of existing residents and businesses has been/will be avoided.** The existing parking lot is owned and operated by the Applicant. No business will be involuntarily displaced.

☒ **Criteria B: Design.** RTA Projects shall meet the following enhanced design criteria to ensure high quality Projects that are recognized as exemplary:

☒ Buildings shall have exterior building materials and colors which are aesthetically pleasing and compatible with the overall site plan. Construction material shall provide variation in color, texture, and scale; *and*

☒ Each building elevation that faces a street or will be visible from adjacent streets/trails at full site plan buildout shall be modulated. The wall and foundation line shall be offset at intervals so that there is at least one offset every 100 feet of wall length that varies the depth of the building wall by a minimum of 6 feet. Offsets shall comprise at least 10 percent of the length of the elevation, for at least 40 percent of the building height.

The project provides aesthetically pleasing and neighborhood-appropriate stucco beige finishing, accented by blue to add visual variation. Along Yale, accents, doors, columns, and breezeways provide façade textures at appropriate offsets. On Silver, Juliet balconies, exposed concrete, and exterior ground-level patios provide for texture and color variations.

*OR*

☐ If Projects cannot meet the enhanced design criteria above, applicants can propose other compensating design elements that ensure a high-quality Project (N/A)

☒ **Criteria C: Applicant Experience.** Applicant must demonstrate a record of financing, constructing, and managing Projects of this type and size, and has provided convincing evidence that the Project will be completed.

The Applicant is a partnership between Jay Rembe and Allen Lewis, who were partners on the Bricklight District, which includes 46 apartments and 7,200 square feet of retail. Jay Rembe has demonstrated experience in several other development and redevelopment projects including The Franz at Country Club Plaza (81 units), managing several large (50+ unit) multifamily projects, and delivering over 150,000 square feet of retail inventory.

### **Conditions for Approval**

Applicant shall provide MRA documentation that the following Conditions of Approval have been met prior to building permit submission:

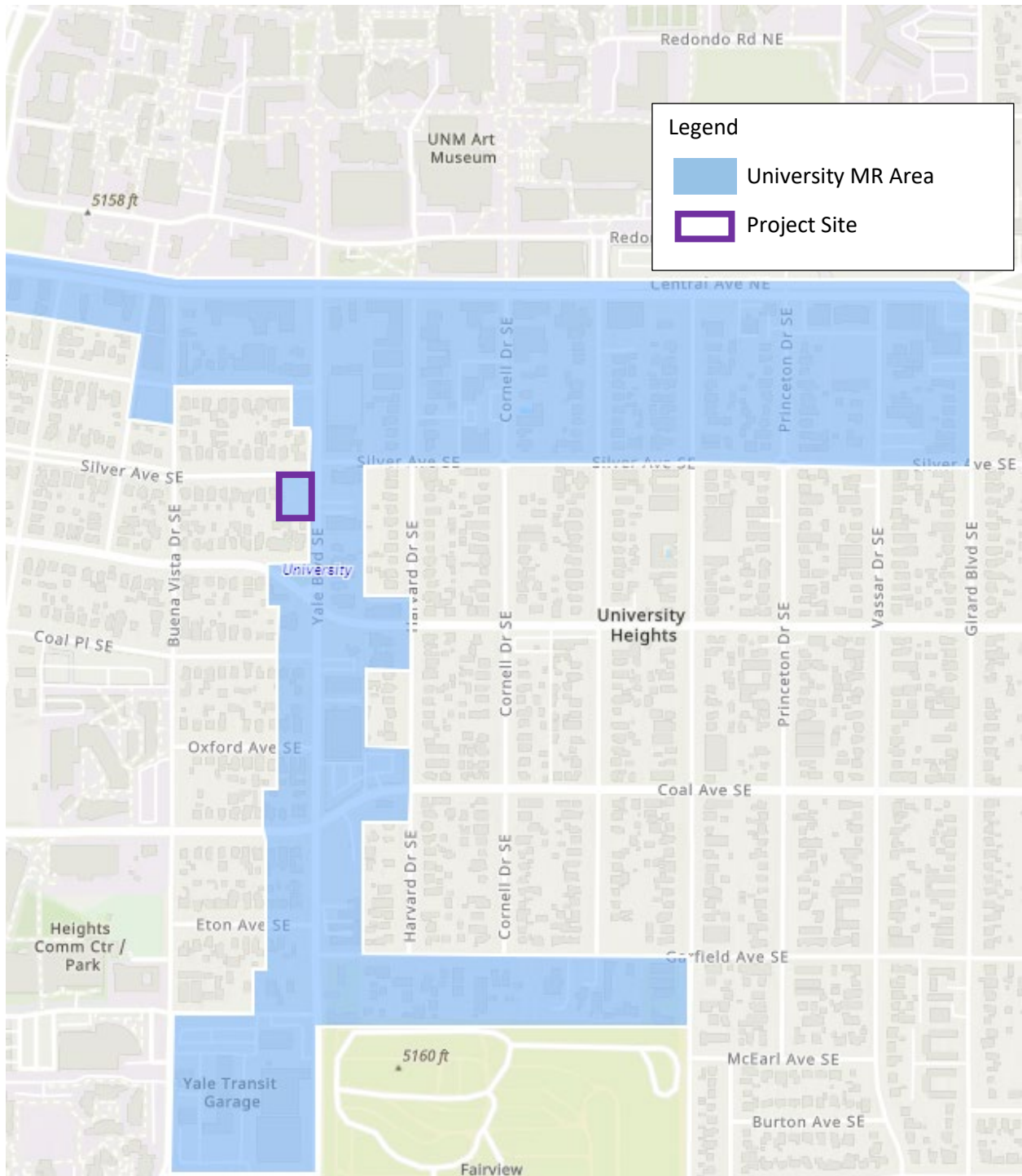
- **On-Site Solar:** Submit to MRA a letter from professional electrical engineer certifying that the roof includes necessary electrical infrastructure and structural support to support future solar panel installations.
- **Adds Density:** Provide floor plans from the building plan set to confirm 20 units are included in architectural/construction plans.
- **Mural:** Submit the mural plan, to be at least 150 square feet and prominently visible to the public right of way, to MRA for final approval.
- **Project Fencing.** Provide fencing detail to confirm that the fencing separating the parking lot from the sidewalk along Yale shall be no taller than 6 feet. Fencing above 3' will be at least 60% transparent.

**Findings:**

- MRA found the Project meets all requirements outlined in the Redevelopment Tax Abatement PILOT Program:
  - The Project removes blighted conditions and meets the goals of the University Metropolitan Area Plan by improving the pedestrian environment and adding high-density, neighborhood-appropriate housing options to the area;
  - The Project meets the design criteria by creating an aesthetically pleasing project that provides variation in color, texture, and scale, and modulates the building elevation and façade;
  - The Applicant has demonstrated sufficient experience to reasonably complete the Project.

**Recommended Motion:** Based on the findings in the staff report and the Conditions of Approval, the ADC recommends to City Council approval, in form, of the Redevelopment Tax Abatement with 201 Yale LLC for the development of El Parador.

# LOCATION MAP





**PROJECT RENDERINGS**



VIEW FROM SILVER AVE



VIEW FROM YALE BLVD



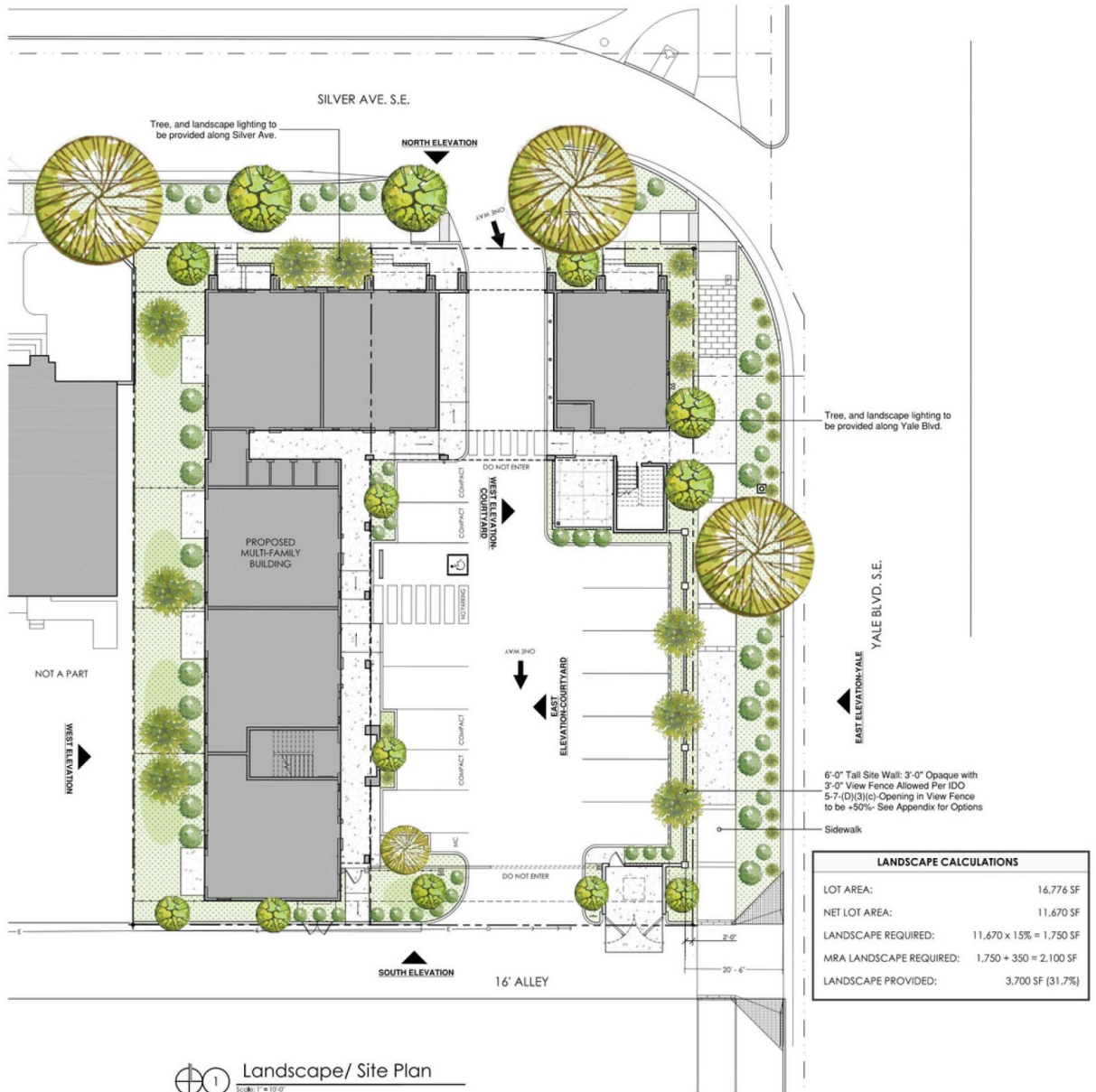
② Option 2 - Decorative Railing

④ Decorative Railing

Note- All options to provide a minimum of 60% opening at view fence portion of wall. Final Fence design subject to MRA review and approval prior to Building Department Permit Approval.

ENHANCED STREETScape & FENCING - VIEW FROM YALE BLVD

# LANDSCAPE & SITE PLAN



LANDSCAPE CALCULATIONS	
LOT AREA:	16,776 SF
NET LOT AREA:	11,670 SF
LANDSCAPE REQUIRED:	11,670 x 15% = 1,750 SF
MRA LANDSCAPE REQUIRED:	1,750 + 350 = 2,100 SF
LANDSCAPE PROVIDED:	3,700 SF (31.7%)