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PLAN ELEMENT

Chapter 8

ECONOMIC DEVELOPMENT





8.1 Background & Analysis

8.1.1 Introduction

A local economy is based on the community's activities in collecting, producing, and distributing goods and services within and beyond it – regionally, nationally, and internationally. Economic development seeks to create prosperity and economic mobility for community residents by growing, retaining, and expanding a range of quality, resilient businesses that provide well-paying jobs.

Economic development distinguishes between businesses that contribute to the economic base – i.e., businesses that bring new dollars into the community by exporting goods or services outside the local economy – and local-serving businesses that circulate dollars within the community. Growing and strengthening the community's economic base helps support local-serving businesses that contribute to the vibrancy of neighborhoods. Generally, local governments cannot impact overarching economic trends,

but they can influence the local distribution of businesses and residences through land use planning and regulation to provide advantages and efficiencies that contribute to the community's prosperity.

Our region enjoys many assets and opportunities that can be leveraged for renewed economic growth. The area's relatively affordable costs of living and doing business, moderate climate with minimal risks for business disruption, successful workforce development programs, transportation infrastructure, technology assets, and abundant outdoor recreational opportunities are strong attractions for newcomers and potential employers. To maximize long-term opportunities for prosperity, the County and City must plan ahead to accommodate the region's anticipated growth in a way that leverages and amplifies current and emerging economic trends.

Economic development is a key factor in the Comp Plan because a strong economy

Economic development is a key factor in the Comp Plan because a strong economy contributes to the quality of life for all residents and impacts the ability of local government to invest in needed improvements.

Applying the Guiding Principles

Each element of the Comp Plan uses guiding principles as the basis for its goals, policies, and actions. The six guiding principles and their definitions were developed from input received during the public involvement process, detailed in the Vision chapter.

Here, we apply the guiding principles to **economic development** goals, policies, and actions.



STRONG NEIGHBORHOODS

- Economic growth attracts investment to neighborhoods that desire revitalization.
- Complete communities provide employment opportunities near housing, with goods and services in walking distance.



MOBILITY

- Economic growth increases resources for transportation investment.
- Coordinated land use and transportation leverages public investments to provide efficient movement of goods and services.



ECONOMIC VITALITY

- Coordinating economic development with other planning leverages public resources.
- Public-private partnerships foster entrepreneurship and initiatives to incubate new businesses.



EQUITY

- Workforce training helps job-seekers develop skills that match market demand.
- Diversifying the economy broadens employment opportunities for low-income, underrepresented, senior, marginalized, and underemployed people and helps decrease income disparities.
- Public-private partnerships help create access to economic mobility for marginalized populations.



SUSTAINABILITY

- A diverse economy is less dependent on federal government funding cycles and less prone to boom-and-bust cycles.
- Encouraging clean and renewable energy industries contributes to local and global sustainability.
- Focusing development in Centers and Corridors



COMMUNITY HEALTH

- Economic growth increases resources for public health and human services.
- Increased job opportunities contribute to the quality of life for all families and decrease the need for additional social services.

- promotes infill and preserves open space and agricultural land.
- Preserving the Open Space network and agricultural lands reinforces our unique identity and high quality of life, two factors that can attract talented workers and employers.
- Responsible ecotourism and outdoor recreation-based business capitalize on unique natural features and generate funding that can be used for maintaining and expanding public and agricultural lands.



In the future...

The County and City will provide a range of employment opportunities with adequate wages to raise families and achieve a high quality of life.

Downtown will be a vibrant, regional hub for employment, services, and urban living.

Public-private partnerships will help cultivate new local businesses that leverage our local and cultural assets, as well as our existing industrial clusters.

We will capitalize on our well-educated talent pool to attract new businesses to this region.

Government jobs will be balanced with other employment opportunities to ensure a robust economy.

New, compatible businesses will locate near existing residential areas in Centers, along Corridors, and in Areas of Change – places where growth is expected and encouraged.

New and expanded housing options will develop near and in downtown, urban, and existing employment centers to provide 18-hour, walkable, vibrant districts that are attractive to workers and employers.

contributes to a high quality of life for all residents and increases local government's ability to invest in needed improvements. Other elements of the Plan, especially land use, transportation, and infrastructure, significantly influence economic opportunities and challenges.

Generally, economic development has three components:

1. Business recruitment, retention, expansion, and start-ups
2. Economic well-being of the population through living wages, social programs, and education and training
3. Fiscal health through a balanced budget and efficient use of limited dollars for infrastructure and municipal services

This chapter outlines key national and regional trends influencing near- and long-term economic growth in the city and county. It also presents a broad array of economic development tactics that the City, County, and other stakeholders can employ, including workforce development; commercialization of technology; entrepreneurship; business retention, recruitment, and expansion; placemaking; and talent retention and attraction.



Image credit: City of Albuquerque

8.1.2 Context & Analysis

8.1.2.1 ECONOMIC PROFILE

As of 2015, there are just over 340,000 jobs in Albuquerque and Bernalillo County. The Mid-Region Council of Governments (MRCOG), in its modeling efforts for the *Futures 2040 Metropolitan Transportation Plan (MTP)*, forecast the addition of 130,000 jobs between 2015 and 2040, bringing the total number of jobs near 470,000.

For decades, New Mexico has relied on a small number of large private employers to support key industries. With increasing competition with other areas and declining government employment, a “quick fix” in the form of a single, large-scale employer like Intel or Tesla will likely be rare in the future. Local economic development strategies should aim to diversify the portfolio of economic sectors, grow more local economic base businesses, and cultivate entrepreneurship to create jobs for area residents.

To achieve our vision the City and County need to address key **challenges** and **strategies**.

CHALLENGES

- Inadequate growth of jobs with wages that can support families.
- Over-reliance on government jobs
- Disinvestment, lack of adequate office space and services, and declining population in Downtown.
- Longer commute times and higher congestion and vehicle emissions rates as people and jobs locate farther from Downtown.
- Inadequate industrial land connected to truck routes and removed from residential areas.
- Education and training opportunities are provided by local education institutions and non-profit organizations.

STRATEGIES

- Diversifying the region’s economy.
- Supporting entrepreneurship.
- Reducing barriers to infill, redevelopment, and adaptive reuse in urbanized areas.
- Improving education, workforce development, and linkages between youth and employers.
- Coordinating land use decisions with economic development goals.
- Improving infrastructure to support new and existing businesses.
- Leveraging natural and cultural assets as drivers of economic growth.
- Tracking and ensuring sufficient zoning capacity for economic activity.
- Coordinate educational services with local City and County governments.





Sectors & Industries

Employment can be broken down into three major categories: services, retail, and basic:

- **Service** includes finance, real estate, professional and technical jobs, management, administration, education, research, health care, social assistance, arts, entertainment, recreation, lodging, and government.
- **Retail** includes all retail trade including eating and drinking establishments.
- **Basic** includes agriculture, mining, construction, manufacturing, transportation, communications, utilities, wholesale, and military.

The job market in Bernalillo County is largely made up of service-sector jobs. Within this sector, health care and social assistance makes up the largest share of jobs. Education, science and technology, government, and, more recently, film industries play an important role as well.

Science & Technology

Albuquerque and Bernalillo County have an employment base with significant science and technology skills, with 28,590 Science, Technology, Engineering, and Math (STEM) employees who represent 7.7 percent of the

workforce. The nationwide average of STEM occupations is 6.2 percent, similar to New Mexico’s average of 6.5 percent.

Government

In Bernalillo County, government jobs have continued to increase since 2006 and represent 21 percent of all employment as of 2015. Most of the County’s government jobs are in education, public administration, and health care, which comprise 87 percent of total government wages.

MRCOG estimates that one in every nine regional jobs is associated with employment and spending at Kirtland Airforce Base and the Albuquerque Sunport, representing 11.2 percent of all regional employment and

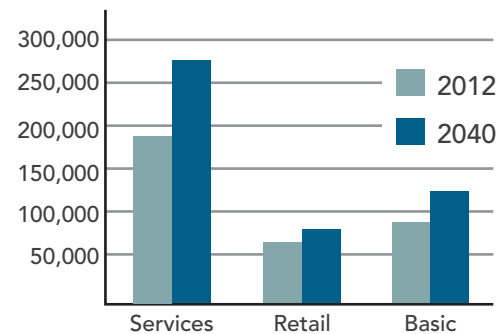


Figure 8-1: Total Employment by Major Sector, Bernalillo County (2012, 2040)

Source: 2040 Socioeconomic Forecast by Data Analysis Subzone (DASZ), MRCOG, 2015

accounting for one in every six dollars in regional wages or salaries.

Film

Film is an important growing industry in the city and county. Film production and post-production provide high-paying, creative jobs and involve many locally owned companies. Albuquerque offers many advantages that position us well: a strong state film incentive, an expanding pool of experienced film crew, unique locations, 310 days of sunshine, and no natural disasters.

The economic impact from the film industry is significant. In 2015, direct spending from the industry in the Albuquerque area was over \$150 million. Since 2002, over \$1 billion

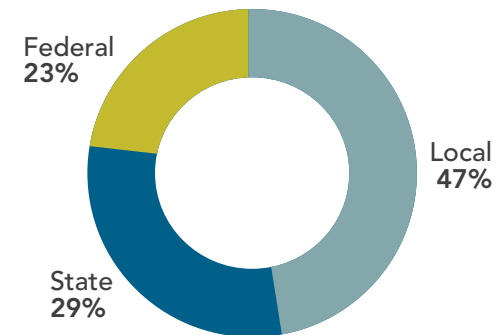


Figure 8-2: Government Jobs in Bernalillo County (2011)

Source: BBER, 2012

of direct spending has come to Albuquerque as a result of the film industry’s work locally.

Job Growth

Job creation has not historically been a problem in New Mexico, outpacing the rest of the nation for decades, according to Jeffrey Mitchell, Ph.D., Director of the University of New Mexico’s (UNM) Bureau of Business and Economic Research (BBER).

Unfortunately, since the 2008 recession, job creation has increasingly become an issue in the state. In Bernalillo County, jobs have yet to bounce back to pre-recession levels.

Basic sector jobs were hit hardest by the recession, and most are not expected to return to pre-recession levels in the near future. The state’s construction industry was affected the most severely, reflecting continuing constraints on regional economic

growth. This industry lost 20,000 jobs and isn’t expected to recover them before 2020. Manufacturing jobs are not expected to see a return to pre-recession levels, either.

Despite limited growth in some industries, MRCOG forecasts that overall job numbers in Bernalillo County will grow by 39 percent between 2012 and 2040. All sectors will see job growth, but the distribution of jobs will continue to advance most prominently in the services sector, with a predicted 49 percent job growth.

Jobs-Housing Balance

In 2012, only 13 percent of all jobs in Bernalillo County were located on the West Side. According to MRCOG’s 2040 Forecast for the region, 23% of the new jobs expected will locate on the West Side over the next 25 years if current development trends continue. This improves the balance of jobs slightly so that the West Side will then have 16% of all the jobs in Bernalillo County. The vast majority of jobs will still remain on the East Side.

Meanwhile, new home construction is strongest on the western and southern sides of Albuquerque. Single-family home construction permits have been steadily rising in the city and county, but have yet to

EMPLOYER	EMPLOYEES	INDUSTRY
Albuquerque Public Schools	14,480	Education
University of New Mexico (includes UNM Hospital)	14,300	Education + Health Care
Sandia National Laboratories	9,957	Science + Technology
Kirtland Air Force Base	8,666	Varied: Military + Civilian
Presbyterian Hospital	7,369	Health Care
City of Albuquerque	6,680	Government
State of New Mexico	5,910	Government
Lovelace Health Systems	3,700	Health Care
Bernalillo County	2,300	Government
Intel Corporation	2,300	Science + Technology
Central New Mexico Community College (CNM)	1,770	Education

Table 8-1: Top Employers in the Albuquerque Area, 2015

Source: U.S. Census Bureau, 2013 Data



reach their pre-2008 levels. This is a generally promising indicator of economic growth (see also the **Housing chapter**).

This development pattern contributes to lengthy cross-city commutes that increase traffic congestion, particularly on the region’s limited river crossings and the few West Side arterials that connect them.

Unemployment

New Mexico’s 2014 unemployment rate was 6.7 percent, slightly higher than the national unemployment rate of 5.1 percent during the same time. The unemployment rate for Bernalillo County, 6.1 percent, has gradually improved since 2010, when it hit a high of 7.7 percent.

Wages

Workers in the Albuquerque Metropolitan Statistical Area, which includes Bernalillo County and the surrounding Sandoval, Torrance, and Valencia Counties, had an average (mean) hourly wage of \$20.92 in May 2014. This is slightly above the statewide average of \$20.31, and about 8 percent below the nationwide average of \$22.71, according to the U.S. Bureau of Labor Statistics.

In Bernalillo County, more than half of households earn less than the area’s average

income (\$43,520), which indicates significant wage disparity.

A “living wage” or “family wage” is a measure of minimum household income to provide for the basic needs of an individual’s children and/or spouse. For a wage to qualify as a living wage, it should provide enough money to at least cover basic expenses like food, housing, and utilities.

While it is useful to be able to describe employment in terms of a living wage, the task of defining the term is difficult. There are many factors to consider: *What items are basic necessities? What is a reasonable*

average cost for things like housing and utilities? To make matters more complex, the costs for basic necessities like housing and transportation vary depending on location.

According to the Living Wage Calculator from the Massachusetts Institute of Technology (MIT) (<http://livingwage.mit.edu/metros/10740>), the minimum living wage for one working adult in Albuquerque is \$10.11 per hour, or \$21,028 per year (wage per hour multiplied by 2080 hours per year). **Table 8-2** shows living wage baselines for different family types. For comparison, the federal minimum wage is \$7.50, not sufficient to provide a living wage for any sized household in Albuquerque.

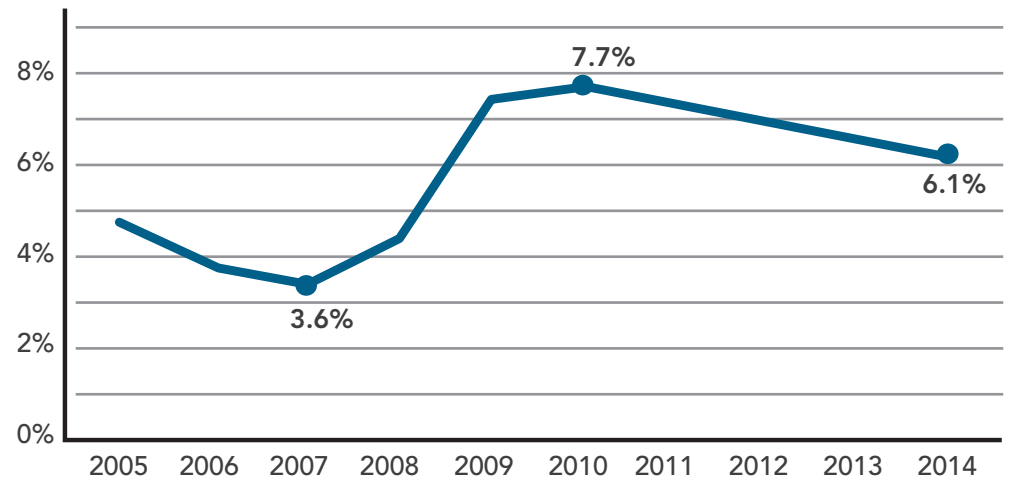


Figure 8-3: Bernalillo County Annual Unemployment Rate (2005-2014)

Source: New Mexico Department of Workforce Solutions. Seasonally Unadjusted Data.

Table 8-3 shows average wages by major occupations for 2014 in Albuquerque. All but one of these (Food Preparation and Serving Related) provides an hourly wage above the living wage for one adult. But less than half of the region’s jobs pay an average wage above the living wage for one adult and one child.

Poverty

In Bernalillo County, 16.3 percent of households in the last 12 months were in poverty, and 13.4 percent of households receive food stamps. The state poverty rate is higher, at 20.4 percent as of 2013, while the U.S. was at 15.4 percent.

Our community includes pockets of poverty and areas where generations of families living in poverty are not uncommon. For these families, underemployment and chronic unemployment need to be addressed with strategies that go far beyond typical economic development. These communities need services that address education, health care, substance abuse, hunger, housing, and homelessness. Many of these issues are addressed in other chapters of the Comp Plan, in particular, **Community Identity, Land Use, Housing, and Resilience & Sustainability**.

8.1.2.2 DIVERSIFYING THE ECONOMY

Historically, the county’s economy has been weighted toward government, services, and retail. Going forward, attaining sustainable job growth in a variety of industries in Albuquerque and Bernalillo County is imperative to reduce dependence on any one sector.

Supporting Entrepreneurship

A key economic development strategy is to target and cultivate new businesses that can grow out of strong industry clusters in the local economy. Industrial clusters

Less than half the jobs in Albuquerque pay an average wage above the living wage for one adult with a child.

HOUSEHOLD SIZE	LIVING WAGE BASELINE*		POVERTY WAGE BASELINE*	
	Hourly Wage (\$)	Annual Salary (\$)	Hourly Wage (\$)	Annual Salary (\$)
1 Adult	10.11	21,028.80	5.00	10,400.00
1 Adult + 1 Child	21.00	43,680.00	7.00	14,560.00
1 Adult + 2 Children	25.08	52,166.40	9.00	18,720.00
2 Adults	8.43	17,534.40	3.00	6,240.00
2 Adults + 1 Child	11.66	24,252.80	4.00	8,320.00
2 Adults + 2 Children	13.93	28,974.40	5.00	10,400.00
2 Adults + 3 Children	16.47	34,257.60	6.00	12,480.00

Table 8-2: Living and Poverty Wages for Albuquerque, February 2016

Source: Living Wage Calculator, Massachusetts Institute of Technology, <http://livingwage.mit.edu/metros/10740>
 *Wages and salaries are per working adult.



OCCUPATIONS	TOTAL EMPLOYMENT	PERCENT EMPLOYMENT	HOURLY AVERAGE \$	ANNUAL AVERAGE \$
Management	18,340	5.0	46.67	97,080
Architecture and Engineering	12,820	3.5	40.28	83,780
Computer and Mathematical	9,330	2.5	35.86	74,580
Legal	3,150	0.9	35.16	73,130
Health Care Practitioners and Technical	24,020	6.5	34.87	72,530
Life, Physical, and Social Science	4,040	1.1	32.93	68,500
Business and Financial Operations	19,040	5.1	30.73	63,920
Education, Training, and Library	22,960	6.2	22.61	47,020
Arts, Design, Entertainment, Sports, and Media	4,440	1.2	22.61	47,040
Installation, Maintenance, and Repair	13,000	3.5	20.48	42,590
Construction and Extraction	18,400	5.0	18.74	38,980
Community and Social Service	6,120	1.7	18.71	38,920
Protective Service	9,360	2.5	18.03	37,510
Production	11,250	3.0	16.56	34,430
Office and Administrative Support	59,070	16.0	15.99	33,260
Transportation and Material Moving	19,560	5.2	15.81	32,880
Sales and Related	38,450	10.4	15.25	31,730
Health Care Support	12,330	3.3	13.54	28,160
Building and Grounds Cleaning and Maintenance	12,320	3.3	10.86	22,580
Personal Care and Service	15,790	4.3	10.80	22,450
Farming, Fishing, and Forestry	210	0.0	10.75	22,360
Food Preparation and Serving Related	36,270	9.8	9.83	20,450
All Occupations	370,270	100.0	20.92	43,520

Table 8-3: Average Wages by Major Occupations in Albuquerque (2014)

Source: U.S. Bureau of Labor Statistics, Occupational Employment Statistics May 2014

include multiple companies, supply chains, education/workforce development programs, and large employment numbers. The following industry clusters provide significant opportunities in this region:

- Aerospace and aviation
- Solar and environmental technologies
- Microsystems and nanotechnology
- Information technology and software
- Semiconductors and electronics
- Directed energy, photonics, and optics
- Health care and social assistance
- Film and digital media
- Creative industries
- Tourism and hospitality

Technology and energy sector jobs typically pay above median wages and are often integrated across other industries. Information technology and software, for example, provide opportunities to strengthen the film industry with digital media or aerospace with data analysis.

Interestingly, the Albuquerque market has a similar sized technology and energy sector to that of Portland, Oregon. While Portland was able to create a significant number of

new tech and energy jobs, Albuquerque barely created any new positions (see **Figure 8-4**). Albuquerque’s ability to create new jobs, draw in skilled workers, and keep these workers in the metro area will have a major impact on the economy’s ability to rebound from the 2008 recession.

Public-private partnerships will be increasingly important to the success of tomorrow’s economy. Innovation districts – often involving local government, universities, and private sector businesses – are a promising trend in many cities. As of 2016, the City and County are partnering with UNM and others to create InnovateABQ at the corner of Central and Broadway, which is expected to house a business incubator, student housing, an entrepreneurship academy, retail, and services. This district will be a creative hub between Downtown and the University and provide a place for the innovation economy to test new ideas and grow them into viable businesses. The success of this effort will serve as a blueprint for other specialty economic districts in key areas throughout the city and county.

Beyond partnerships on catalytic development projects, City and County governments can help coordinate and promote efforts to build the entrepreneurial

and local business community. To date, these efforts include shared-working spaces and business incubators like Fat Pipe, WESST, and the South Valley Economic Development Center (SVEDC); makerspaces like Que Lab, Fuse Makerspace and Fab Lab; and accelerators like CNM boot camps, Ignite, ABQid, TAZA, and Creative Startups.



Image credit: City of Albuquerque



The STEMulus Center, powered by CNM ingenuity, provides resources and training for local entrepreneurs.



To become a thriving business community, all kinds of entrepreneurs must be encouraged and helped to succeed, reaching out equitably to garner participation from people across the demographic spectrum. Local governments should make significant efforts to democratize the process to start a business in order to offer opportunities

for entrepreneurship to a wide variety of potential business leaders. Recent outreach and activities have been expanding the traditional economic development support system to foster a more inclusive entrepreneurial ecosystem.

Workforce Development

In order to serve local employment, residents’ skills and education must match the needs of existing and developing businesses and targeted industry clusters. Workforce development seeks to create, sustain, and retain a viable workforce with the

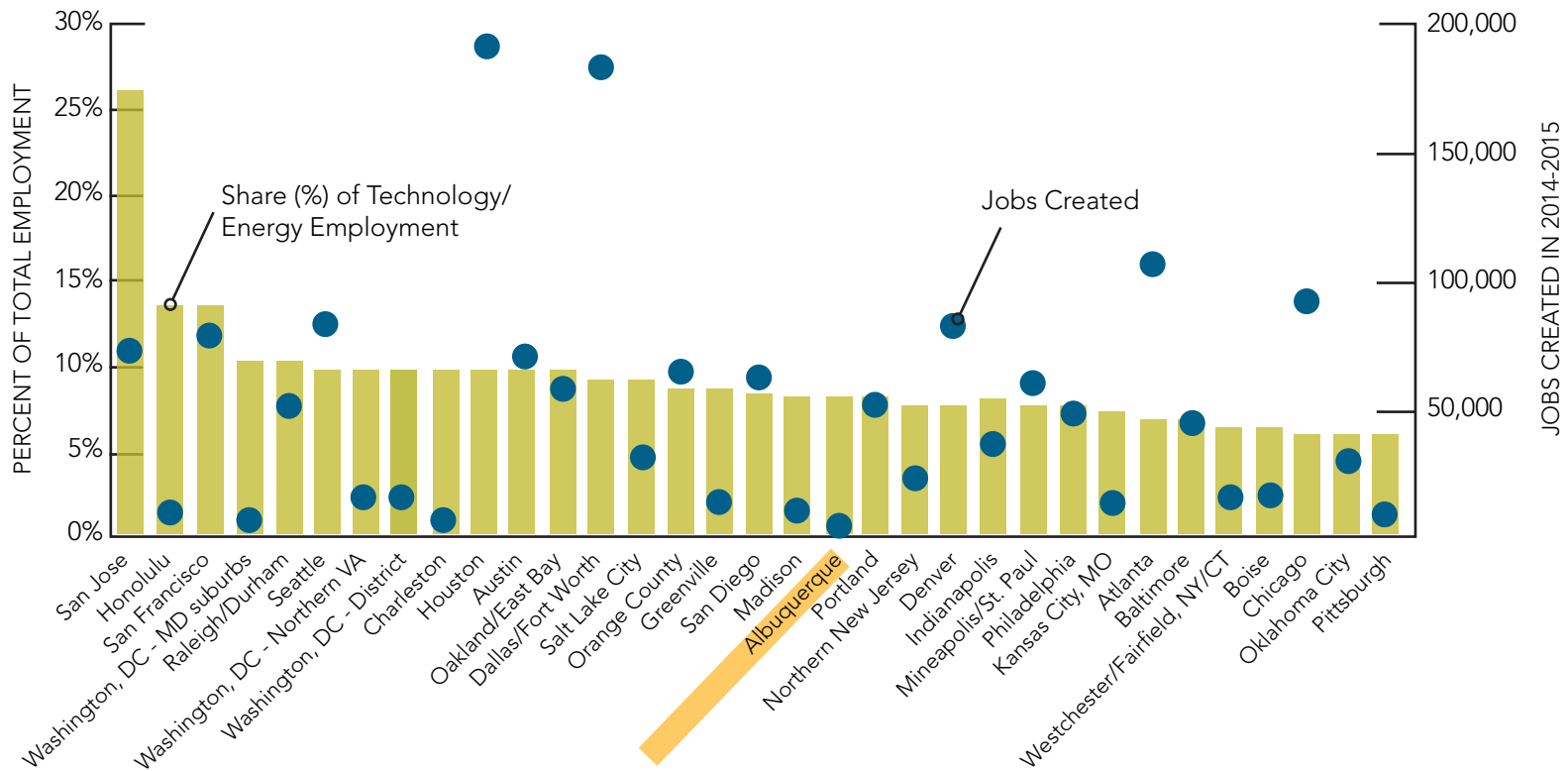


Figure 8-4: Technology and Energy Employment Concentration (Second Quarter 2012–Second Quarter 2014)

Source: PWC/ULI Emerging Trends in Real Estate 2015/U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

skill sets to match current and future business and industry needs.

City and County governments are largely dependent on the efforts of local education institutions, nonprofit organizations, and the business community to coordinate and provide training. While land use policy has few implications for workforce development, it is included in the Comp Plan discussion as a necessary component to connect local workers with job creation.

Many programs in Albuquerque already focus on education and workforce development, creating strong partnerships between the private sector and educational institutions. The City and County work with the Workforce Connection of Central New Mexico (WCCNM), Central New Mexico Community College (CNM), UNM, WESST, SVEDC, other business incubators, and the private sector to fund and organize trainings and events, job fairs, and work keys assessments. These and other programs help ensure a match between worker skill sets and growing economic sectors.

As higher education costs continue to rise, the region should expand options for non-traditional or non-credit learning, such as vocational training, apprenticeships,

and certificate programs. TalentABQ is a nationally-recognized program that focuses on skills-based assessments and employer matches to increase non-traditional job opportunities. These efforts will broaden the range of the population prepared to enter a greater variety of employment opportunities and increase Albuquerque’s attractiveness to businesses looking to relocate.

Government Jobs & Spending

The government helps promote a strong economy, providing not only local employment opportunities, but also opportunities for local businesses to serve as contractors that supply goods and services to federal, state, and local governments

(see **Table 8-4**). A 2014 study by the Pew Charitable Trust estimated that 30 percent of the gross product in New Mexico was associated with federal spending, putting New Mexico third in the nation after Mississippi and Virginia, and well above the national average of 19 percent. Historically, government jobs and contracts also provided the area with a buffer from downturns in the private sector.

However, an over reliance on government jobs can lead to instability when traditional government budgets are scaled back, as they have been in recent years. This is illustrated in a study by BBER, which estimated that federal sequestration in 2011 led to a permanent loss of 20,000 jobs in New

INDUSTRY	TOTAL JOBS	TOTAL INDUSTRY WAGES (\$)	% OF GOV'T WAGES
Educational Services	21,443	264,816,648	32
Public Administration	19,273	269,523,033	33
Health Care and Social Assistance	12,244	177,510,379	22
Accommodation and Food Services	62,836	20,209,829	2
Arts, Entertainment, and Recreation	2,158	17,205,417	2
Transportation and Warehousing	2,465	36,645,022	4

Table 8-4: Total Government Jobs by Industry, New Mexico (Second Quarter 2015)

Source: www.jobs.state.nm.us, 2015



Mexico. A key strategy moving forward will be to grow industries and businesses that do not depend on federal contracts.

8.1.2.3 PLACEMAKING TO SUPPORT OUR ECONOMY

Many elements of economic development, like job creation, lie mainly outside the scope of a comprehensive plan, which focuses on land use. However, the Comp Plan can encourage and create opportunities for increased capacity and services for employers to stimulate the local economy. One important way to do this is through “placemaking” – making places where people and employers want to be. Through placemaking efforts, the City and County can create more vibrant areas, connect employment opportunities to residential communities, and leverage natural and cultural assets to attract and retain both employers and talent.

Downtown Vitality

The economic vitality of a region’s downtown is increasingly important to the health of the surrounding community, as well as to the region’s successful competition with other urban markets. Since the latter half of the 20th century, American cities have experienced significant disinvestment of their



Image credit: City of Albuquerque

Civic Plaza hosts events throughout the week, including Food Truck Tuesdays for Downtown employees and residents.

downtowns, and Albuquerque is no exception. Fortunately, interest in downtown revitalization is growing among younger generations and talented workers, as well as the employers who seek to recruit them. Downtowns are again becoming preferred places to live and work, with increasing demands for amenities and 18-hour environments where people can live, work, learn, shop, and play.

Albuquerque’s Downtown must function as a center for activity and employment in itself, and also as a hub for the surrounding region, including rural and agricultural lands at the edge of the metropolitan area. The extent

to which Downtown retains and enhances its distinctly Albuquerque identity will largely determine its success in attracting new residents, workers, and businesses.

Many employers seek high-quality Class A office space in downtowns with accessible and affordable high-performance telecommunications infrastructure to attract a younger tech-oriented workforce. This diverse workforce increasingly wants to live and work near good transportation (including transit, bicycle, and pedestrian amenities), restaurants, and leisure activities.

Downtown development can help increase talent recruitment and the tax base for the City.

In order to ensure the success of Downtown and the surrounding region, the City should engage in placemaking that responds to the needs of employers and potential residents, while also protecting urban diversity to cultivate a diverse and vibrant downtown that provides a variety of housing and leisure options for a variety of incomes. Providing incentives for this type of development can help increase talent recruitment and the tax base for the City, providing more financial resources that will contribute to the success of the region's economy.

Infill, Redevelopment & Adaptive Reuse

A crucial ingredient to future economic development is the revitalization of developed areas with growth that is consistent with and enhances the established character of existing development. This generally includes the infill of vacant land within the

urban footprint. Identifying opportunities and making targeted investments can help provide attractive, well-connected urban places that attract knowledge-based employers and the workforce they need.

Relatively low land and development costs in undeveloped areas at the city's edge have attracted greenfield development in lieu of infill development at the city's center. Higher land prices, checkerboard ownership, inefficient platting, aging and insufficient infrastructure, and outdated buildings are all barriers to the kind of infill and revitalization the local community would like to see in Centers and along commercial corridors. Unfortunately, providing infrastructure, such as roads and utilities, to greenfield development at the urban fringe is much more costly and less efficient due to increased distance from service centers.

These barriers to infill result in new residential development at the edges of the city, where they tend to be far from employment opportunities, forcing workers to travel farther from their homes to get to their jobs. Increased commute times worsen road congestion, increase vehicle emissions, and decrease worker productivity, creating a variety of negative impacts for the people in the city and the economy.



Image credit: City of Albuquerque



Multi-family housing options in walkable areas near urban amenities are becoming more common around Albuquerque.



Neighbors and property owners are often nervous about the potential negative impacts of infill and redevelopment on their property values, traffic congestion, parking availability, and the character of existing districts and neighborhoods (typically densities, building scale, building height, setbacks, etc.). Prior to the 2016 Comp Plan update, there were only two primary strategies to protect the character of existing development from infill and redevelopment. One was negotiating development standards case by case through SU-1 zones; the other was tailored zoning standards through SU-2 zoning in sector development plans. The complexity of these processes can lead to significant delays, increased development costs, and unpredictability, which threatens the viability of infill projects needed to counter growth pressures on the city's edge.

This Comp Plan update seeks to replace those tools with a new, more streamlined approach – using Areas of Consistency in the City to protect neighborhood character – while streamlining approvals for infill projects in Centers and Corridors and Areas of Change (see **Land Use Section 5.1.2.5** for more about Areas of Change and Consistency).

Setting Conditions for Success

Public sector efforts around economic development focus on removing obstacles to market forces, providing incentives to influence market conditions, investing in basic infrastructure, and partnering with other public and private entities to leverage resources and effort.

While governments employ many people and invest in the community in a variety of ways, government efforts related to economic development are the most effective when aimed at catalyzing the private market, which can create jobs at a greater scale and with much better efficiency. The goals and policies in this chapter are focused on government efforts to set the conditions for success within the larger economy.

One example of this work being done in the Albuquerque area is through Metropolitan Redevelopment Areas (see **Appendix J**). The City of Albuquerque's Metropolitan Redevelopment Agency (MRA) operates in designated Metropolitan Redevelopment (MR) Areas to revitalize and build vibrant communities throughout the City. MRA may offer incentives to developers, including tax abatements, impact fee waivers, and other innovative gap financing options. The City and County designate these

areas as needing investment and promote private investment through infrastructure improvements and financial incentives.

Connecting Employment & Existing Residential Areas

Access plays an important role for households and employers when deciding where to live or locate and is fueling the demand for more efficient use of existing structures and spaces. Providing additional incentives and policies that direct this additional growth to Centers and Corridors is an important strategy to relieve pressures on single-family residential areas and protect the residential character of Albuquerque's neighborhoods.

There is an imbalance between jobs and housing east and west of the Rio Grande, which contributes to congestion. While current residents perceive ever-increasing traffic congestion, our commutes are still much shorter than other cities, and our low cost of living and high quality of life is expected to attract many more residents and businesses. However, if jobs/housing trends continue and the imbalance increases, we may see more significant congestion and longer commute times. Because the current transportation system lacks redundancy, commuters cannot avoid congested areas, particularly in the case of crashes,

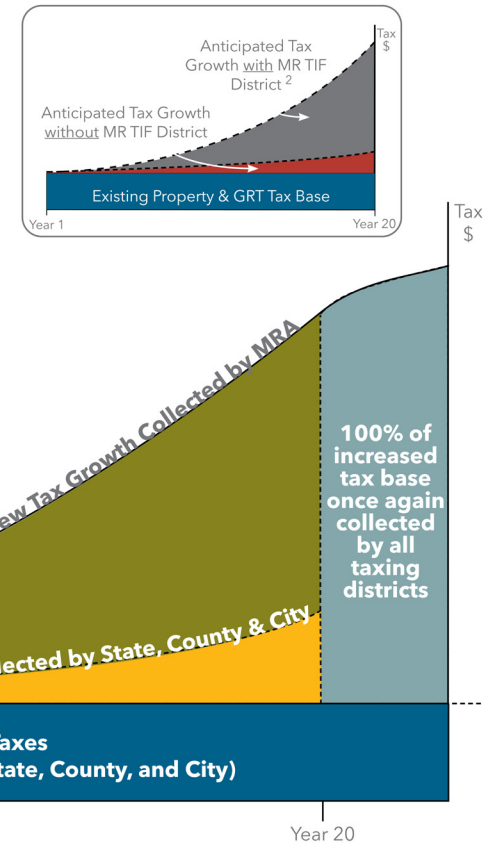
SB0251 TAX INCREMENT FINANCING (TIF) DISTRICTS

During the 2023 State legislative session, the City of Albuquerque’s Metropolitan Redevelopment Agency (MRA), in conjunction with other cities and towns across New Mexico, successfully worked to pass changes to the statute governing the MRA to expand their ability to complete work in designated Metropolitan Redevelopment (MR) Areas across New Mexico. Under these changes the MRA can create grant and loan programs for designated MR areas across Albuquerque. MRA also gained the ability to create special Tax Increment Financing (TIF) districts in MR 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 puts Albuquerque on par with other cities in the West that use TIF districts to invest in major redevelopment projects.

MR TIF District Special Tax Collection & Distribution

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. The new MR TIF (Tax Increment Financing) District allows MRA to collect a return on the investment of its own funds through collection of the difference between the existing tax base and the newly generated property and gross receipts taxes.¹ This revenue will then be used on redevelopment and public infrastructure projects in that same MR TIF District for a term of 20 years.

By collecting and re-distributing the incremental tax value of these projects, MRA is able to essentially grow and reinvest the same funds across multiple projects over the course of 20 years. Additional MRA projects then result in increased property values and generate further GRT, which in turn generates additional funds for new MRA projects. This strategy has promise to exponentially increase the property and GRT tax base in a way status quo could not.



¹ 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.

² 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.

and volatile commute times can impact employment and business growth.

Traffic congestion costs U.S. businesses and individuals \$124 billion per year. The cost of operating a vehicle is estimated at \$12,000 per year, a cost that could go toward meeting other pressing household needs, particularly for lower income households. The cost of increased congestion on residents’

cost of living places additional negative burdens on lower-income households, who may not have alternative options. Businesses also lose out on the advantages of being part of an integrated live-work-play-learn community that can attract a wide range of skilled workers.

Nationally and locally, interest in shorter commutes and walkability is growing. Both

Millennial and Baby Boomer generations show increasing interest in multi-family units nearer to jobs and amenities, particularly in walkable, 18-hour districts. Places that address this intersection of lifestyle needs will trend upward. Places that don’t will be competitively disadvantaged. Clear policies and regulations that guide new, walkable development to be respectful of and compatible with local character of neighborhoods and special places protects existing areas and enhances the community, while leveraging our unique and special places for reinvestment.

Leveraging Natural & Cultural Assets

Embracing the authentic natural and cultural assets of a region is important in defining its unique identity and giving it a sense of place. Cultural assets can be emphasized to connect to the landscape and promote a sense of place. Furthermore, arts and cultural assets are often an important element in attracting creative talent and fostering an open and entrepreneurial community.

Bernalillo County’s 2013 cultural assets inventory, a first step toward a county-wide cultural plan, recognized a strong appreciation of the area’s landscape (e.g.,

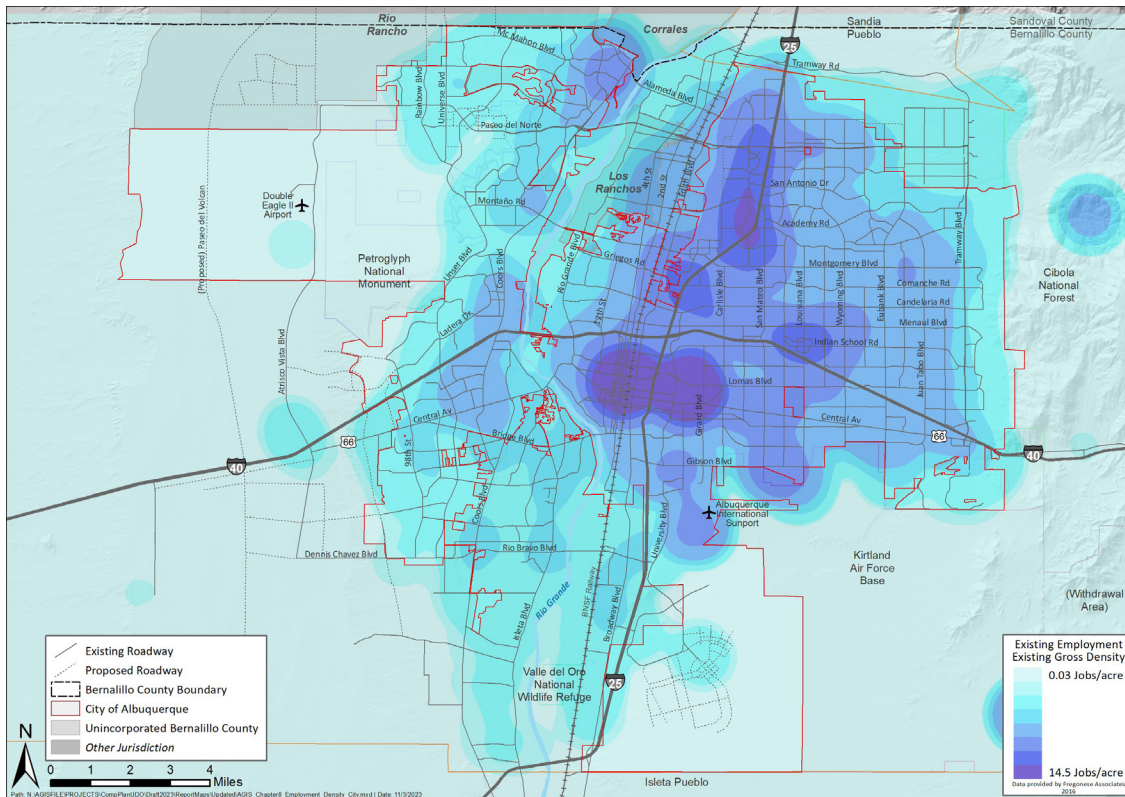


Figure 8-5: Employment Density, 2016



Image credit: City of Albuquerque



Shared workspaces and innovation hubs, such as FatPipe in the renovated library of Old Albuquerque High, complement opportunities to leverage our rich historic and cultural heritage.

the Sandias, Bosque, open space, and farmlands) and traditions (e.g., local religious festivals and observances). Cultural assets may include museums, art galleries, historic sites, performing arts, churches, cemeteries, and community centers, as well as natural spaces like parks and trails. They may also include oral histories, language, artists, food, music, and festivals.

In both the city and county, a variety of local businesses tap into our area’s natural and cultural assets to grow the creative economy. In the arts, these may include home-based artisans, photographers, graphic designers, architects, and film and sound producers. They may also be related to outdoor recreation, eco-tourism and hospitality, such as farmer’s markets, bed and breakfasts, restaurants, breweries, wineries, and businesses that promote hiking, horseback riding, biking, and river rafting.

In many parts of the unincorporated area, these activities are clustered around traditional villages and along scenic roadways forming heritage districts (see also the Heritage Conservation chapter).

A planning effort in 2012 by the Public Art Division of Cultural Services and the nonprofit organization Creative Albuquerque

The number of people engaged in creative and cultural activities in the area is above the national average.

highlighted the contribution of the arts to the vibrancy of the economy through the creative sector. Using data from three national studies (*Arts & Economic Prosperity IV*, the *Local Arts Index*, and the *Creative Vitality Index*), the report highlighted Albuquerque’s creative sector economic potential and recommended strategies to stimulate the creative economy.

The study found that, in 2010, the creative sector generated over \$90 million in economic activity and supported 3,674 full-time equivalent jobs. The number of people engaged in creative activities and the number of people participating in cultural activities were above the national average. Even so, Albuquerque’s arts sector had less economic impact than similar regions and reflected lower spending by audiences and lower rate-of-return to local



governments of events-related spending by nonprofit arts and culture organizations.

The report highlights opportunities to support the arts through partnerships with businesses and nonprofit organizations. The report also recommends strong leadership from the City and County to position the arts as a key asset and distinctive factor in our identity as a place and a community. One priority is to make public art accessible to the entire community.

The City has developed partnerships with Creative Startups/CreateABQ and other local organizations to develop and promote creative industries in the community through business incubators and accelerators, boot camps, workshops, and events.

Attracting and Retaining Employers & Talent

In annual surveys of national developers and investors, the Urban Land Institute and PricewaterhouseCoopers consistently report that investors want more urban, mixed-use, walkable places that are well served by transit. In order to grow our economy, we must develop, attract, and retain businesses as well as “talent,” or the types of individuals those businesses will want to hire. Coordinating and planning

land use and transportation to be mutually reinforcing over the long term is critical for a community’s vitality and serves as a competitive advantage and can open the doors to new investment in our community.

Investors and businesses looking to relocate in an area are increasingly focused on talent, with employee costs making up a majority of corporate expenses. Fifty years ago, almost three out of four top 50 U.S. companies worked with natural resources. By 2013, one out of two top 50 companies, including Apple, Microsoft, and Google, were talent-based and only 10 owed their position on the list to the extraction or exploitation of natural resources.

These talent-based companies increasingly seek out college educated individuals, especially those with STEM degrees. High-tech skills earned through associate degrees or specialized training are in demand for skilled manufacturing positions, computer technicians, and health care associates. These skills are critical because employee costs are the top expense for most businesses, except those in manufacturing.

The most recent trend in employment shows a shift away from full-time positions toward “indie” and “gig” work. These positions include working on multiple

contracts for different companies, engaging in temporary part-time work at one’s own discretion, and providing one’s own resources, such as driving for Lyft or Uber. The future ramifications of these recent trends is unclear, but early indications show reduced need for peak-hour commuting and traditional office space.

Increasingly, the Millennial generation has the talent that employers are looking for. Unlike previous generations, Millennials on the whole tend to shop for a city first and then look for a job when they get there. There is also increasing interest in non-traditional work environments. Locally, Millennials make up the largest proportion of the population. As this generation grows and influences our talent-based economy, it will be increasingly important to understand major trends that motivate them and provide housing and lifestyle options they want, given today’s highly mobile environment.

While the Millennial generation – like any generation – includes a wide range of individuals and preferences, the emerging trend of the last five years suggests that a larger share of this generation prefers an urban form of lifestyle than previous generations before them at the same age. Interestingly, these same elements are

increasingly attractive now to retiring Baby Boomers – the second largest generation in the country:

- **Diverse Job Opportunities:** Talent moving to a new community wants to know that there are other opportunities if the job that brought them there does not work out.
- **Simple Commute:** An increasing percentage of Millennials are not defined by the automobile and prefer transit at a higher rate than previous generations. Innovations such as Uber and bike share are increasingly viable based on these changing transportation preferences.
- **Urban Lifestyle:** Cities that offer high-density residential living near transit and retail allow residents to access their needs easily and avoid owning a car, one of the most expensive items we purchase.
- **Entertainment:** Ample amenities, especially restaurants and access to outdoor recreation, allow residents to live vibrant lifestyles.
- **Open and Supportive Culture:** Millennials embrace social or ethical causes, and communities that are diverse, accepting, and open are more attractive.

Cities that offer these urban lifestyle options – in addition to more traditional options –

are able to attract and retain more diverse talent and businesses. Planning now for a future that includes urban options for more walkable communities will allow Albuquerque and Bernalillo County to increase our chances for a successful and diverse economy in the future.

8.1.2.4 ZONING CAPACITY FOR ECONOMIC ACTIVITY

Having an adequate inventory of land, buildings, and infrastructure is critical to support and attract new business investment across the region. In addition to encouraging business investment and growth, it is important to balance the supply and demand for non-residential development in different areas in order to minimize hazards for residential communities.

Zoning

One way that government can influence the availability of appropriate resources for development is through zoning. While zoning for employment does not make jobs appear, zoning that does not support businesses or protect residential areas from industrial activity often can – and should – preclude new development.

Based on the anticipated growth and employment trends, the majority of new jobs should be located in areas that are already established as Employment Centers or mixed-use districts to protect established residential areas and capitalize on vacant or underused land near Urban Centers. The Comp Plan’s Centers and Corridors vision includes enough land capacity in developed areas to accommodate over 60 percent of projected job growth through infill and redevelopment, as opposed to greenfield development on the edge of the urban footprint.

Zoning standards include incentives for development on vacant and underused land in Centers to accommodate new and growing businesses. West of the river, it will take a concerted effort to focus job growth in and near existing Centers to improve the balance of jobs and housing.

Office Capacity

The office market in Albuquerque is stagnant, due in large part to a lack of office supply that meets the needs of potential users. Vacancy rates vary market-wide but hover around 22 percent. Downtown, the vacancy rate is higher, at 24 to 28 percent. This trend is important to recognize, as a



knowledge-based economy relies on an adequate and appropriate office supply.

Office space is classified into three categories: A, B, and C. Class A office space includes the highest quality spaces in areas with good access to amenities and other businesses. This type of office space attracts high-quality tenants and the highest rents. Class C is the lowest classification of office space with low rents and high vacancy rates, often due to aging buildings and infrastructure.

Albuquerque has a comparatively small Class A office market, which has not expanded much in many years and does not support the needs of many of the types of businesses the City would like to attract. Class A office accounts for approximately 12 percent of the Albuquerque market or around 2.4 million rentable square feet. The majority of the Class A properties are located in Downtown, I-25 North (Journal Center), and Uptown.

There is an oversupply of Class C office properties in the Albuquerque market, which can lower rental rates, making new construction less feasible. Many experts interviewed for the 2016 Comp Plan update saw these properties as opportunities for redevelopment, possibly as multi-family units. Public-private partnerships can help re-

position existing obsolete buildings to serve modern office needs in desirable areas.

Industrial Capacity

Since the recession, there has been steadily declining vacancy in industrial space, but few new industrial developments. When there is new construction, it has been build-to-suit or owner-occupied.

As of 2015, industrial transactions and interest is focused geographically along the north-south corridor of I-25. Industrial land of a usable size in the North I-25 area is limited, so land values and rents in this submarket command top rates, pricing out industrial activity and attracting office and commercial development. Conversely, the South I-25 area is more popular and is characterized by good access to freeways, rail, and the airport. This area also has available land and average to low rents depending on the proximity to the urban core. Much of this land is also outside the city limits in the unincorporated county. Industrial land to the west of the city, where new employment growth is desired, has been slow to develop, primarily due to lack of good freight connections and higher infrastructure development costs.

While this Plan advocates providing more employment opportunities in established

or developing Centers nearer to residential areas, not all jobs are equal. Businesses that have minimal negative environmental impacts are appropriate for mixed-use areas. Industrial activity with more potential for offsite impacts should be located in industrial parks or properties with adequate buffering from residential uses.

Industrial uses are a unique component of economic development, creating very different needs and impacts compared to commercial employment centers. Industrial areas require nearby major transportation facilities that enable efficient movement and storage of freight and goods. When creating an inventory of available land zoned for new and expanding industrial activity, adequate infrastructure must also be provided.

From a cost-efficiency and resource management standpoint, the Comp Plan encourages industrial development in areas with existing infrastructure. However, lower land costs on the city's fringe often attracts industrial development, since industrial uses will not pay the market rates for land that office and commercial uses often will. In order to achieve the type of development that is consistent with the Comp Plan, we need improved buffering and performance

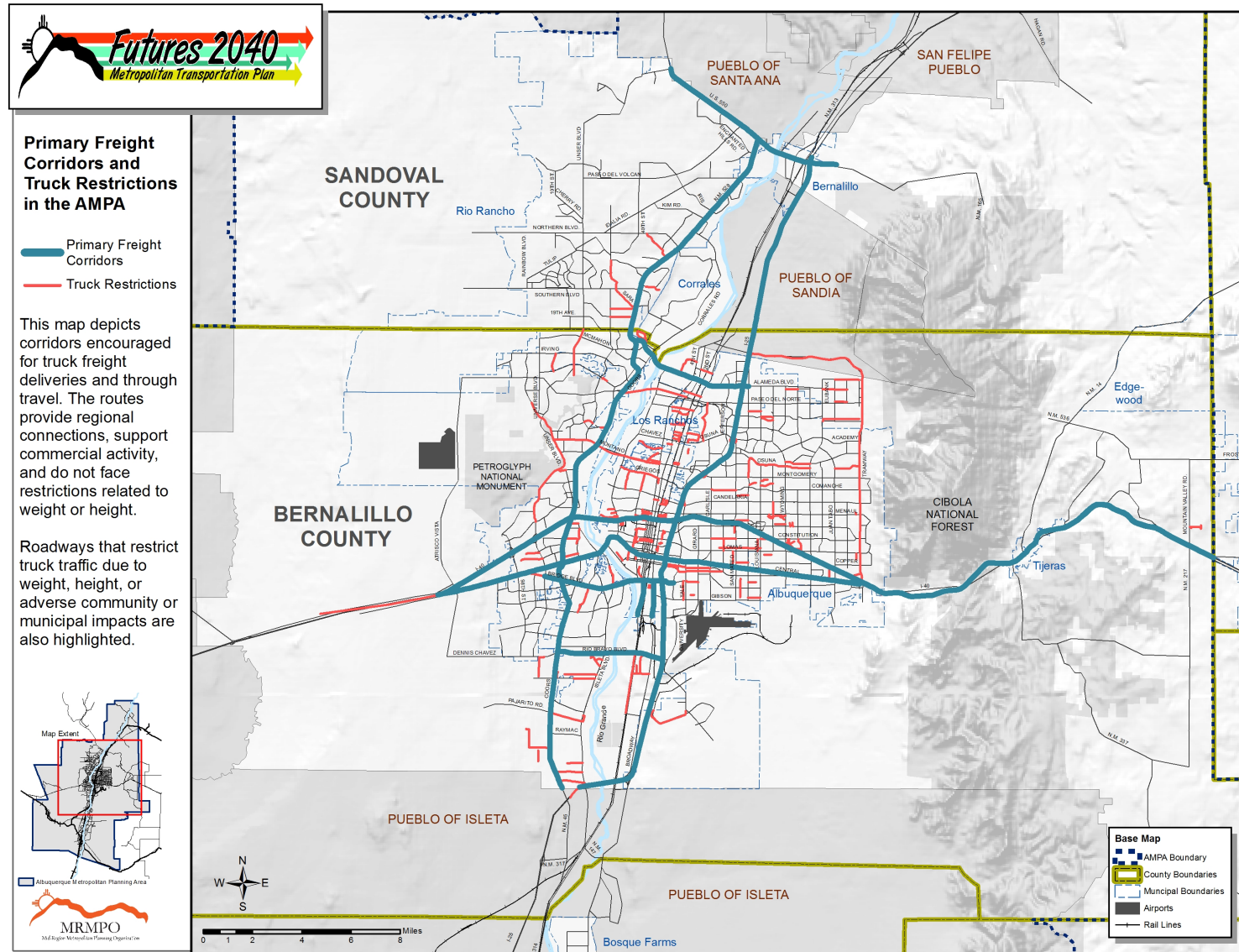


Figure 8-6: Primary Freight Corridors and Truck Restrictions

Source: MRCOG, Futures 2040 MTP, 2015.



standards for new industrial businesses that locate near residential areas.

Meeting Infrastructure Needs

High-quality, modern infrastructure is essential to attracting, retaining, and growing businesses because it facilitates the efficient movement and exchange of goods, services, and information. This includes a range of infrastructure, such as well-maintained roads, mass transit, high-speed internet, and waste management systems. Developing new models for collaboration with the private sector should involve businesses early in the planning process in order to anticipate their needs. Infrastructure development and maintenance should leverage the full capacity of the private sector to drive innovative and sustainable solutions. The City and County should work to realize the area's potential to become a regional/international transportation and logistics hub for air, rail, and truck cargo.

Infrastructure, including freight routes, will be a determining factor in where industry will be able to locate and cluster (see **Figure 8-6**). Employment Centers should be prioritized for infrastructure improvements to support base industries.

8.1.2.5 COORDINATING ECONOMIC DEVELOPMENT

City of Albuquerque Economic Development Department

The City's Economic Development Department has its own set of financial incentives, workforce training, and business retention programs. It provides coordination and support for businesses supplying economic-base jobs in the area. The City's Economic Development Department works with Albuquerque Regional Economic Development (AREA) to recruit new businesses and is equally focused on retention of locally grown small businesses and startups.

The City partners with many businesses, nonprofits, UNM, and CNM to coordinate workforce and job training and events to build community and strong networks for entrepreneurs and local businesses. The City is collaborating with a number of stakeholders in the community on key initiatives to diversify the economy, add private sector jobs in manufacturing and science and technology, strengthen our existing labor force, and foster an entrepreneurial culture in Albuquerque.

To these ends, the department works on numerous programs and initiatives to catalyze

the innovation economy in the private sector. It has seen an explosion of business accelerators, from zero in 2013 to six today, and helped create the City's first community center for entrepreneurs. The department implemented a nationally-renowned Entrepreneurial Mindset Program for the private and public sectors and helped establish entrepreneur resource centers in ABC Libraries. It hosts a variety of weekly and annual events benefiting entrepreneurs and small businesses.

The City's economic development staff work to foster relationships and partnerships within City and County government, state and federal legislators, outside agencies, national laboratories, and private sector businesses and organizations. Staff specializes in finance, recruitment, small-business development, tourism, international trade, and film and multi-media.

The department supports the tourism and hospitality industry, working with local and state destination-marketing organizations and the Albuquerque Convention Center to develop and promote our region as an attractive location for visitors. It is also responsible for location marketing and film permitting within Albuquerque and on all City-owned property. The City estimates that

10,000 jobs were added since the economic recovery began in 2012 and expects growth to accelerate over the next five years. The economic forecast calls for the addition of almost 24,000 jobs, which represents an average annual growth of 1.3 percent. Over 22,000 jobs are expected to come from the private sector, with most sectors adding jobs.

Bernalillo County Economic Development Department

The Bernalillo County Economic Development Department works to attract new businesses, provide resources and financial incentives to retain and expand existing businesses, and offer job training through contracted services. Additionally, the County conducts community outreach to help businesses identify challenges and solutions. This multi-pronged approach supports economic vitality – resulting in “a livable community with diverse economic opportunities” – one of the primary goals in the Bernalillo County Strategic Plan.

In order to enhance the quality of life for county residents while using taxpayer dollars prudently, the Economic Development Department provides statutory incentives for industrial, commercial, and multi-use projects and encourages eligible businesses to apply

for appropriate, fiscally-responsible financial incentives. In certain instances, the County works in concert with the State of New Mexico for accessing financial incentives.

The department is also responsible for location marketing and film permitting within the unincorporated areas of the county and all County-owned property. The film industry here is growing, producing revenue. Over the past three years, the County’s film revenue has grown by 20 percent per year, with the number of film permits growing by 24 percent per year.

Bernalillo County’s diverse programming and partnerships help provide business owners access to cost-effective information, education, and tools available from multiple sources. Department staff coordinate with other departments to develop and implement financing policy. Examples include conduit financing for municipal housing, Tax Increment Development Districts (TIDDs), and MainStreet. Between 2012 and 2015, Bernalillo County has seen 2,371 new jobs and approximately \$400 million invested. The department has helped 25 new projects get off the ground, provided educational business summits, met with over 100 businesses, and shared information and

resources via newsletters, brochures, and social media posts.

MRCOG

The City and County also work closely with MRCOG for research, forecasting, and long-range economic development visioning and planning. MRCOG represents the four-county metropolitan statistical area that includes Bernalillo, Sandoval, Tarrant, and Valencia counties. MRCOG updates an economic development strategy for the federal Economic Development Administration every five years that seeks to activate emerging market sectors, implement economic growth, and track industry progress. This regular planning effort brings together hundreds of stakeholders across many industries and provides an opportunity for local jurisdictions, including Rio Rancho, to work together to improve employment conditions and the economic competitiveness of the Albuquerque region.

The Five-Year Comprehensive Economic Development Strategy can be a helpful document for business recruiters, site selectors, brokers, and public officials. Because it is updated every five years, this planning effort provides the analysis and opportunity to coordinate and strategize



about how to leverage and prioritize resources and economic development efforts across MRCOG’s four-county region. MRCOG is also helping coordinate a regional analysis and implementation strategy to position the Albuquerque metro area as a regional transportation and logistics hub, increasing the potential for cargo-oriented development and international trade.

Albuquerque-Bernalillo County International Trade Alliance

The Albuquerque-Bernalillo County International Trade Alliance is an intergovernmental trade promotion partnership between the City and County. It was created to provide international business opportunities for the greater Albuquerque area and to promote the region as a strategic location for foreign direct investment. Since 2013, the Bernalillo County Economic Development Department has participated in trade missions in Israel, Taiwan, and Brazil.

Albuquerque Economic Development

The City and County assist with business recruitment efforts spearheaded by Albuquerque Economic Development, a nonprofit that works to bring employers to the Albuquerque region. The City and County join the recruitment effort by invitation when

a prospective business is in the decision making mode. The City also supports AREA’s Existing Business Development Program, a highly successful business outreach and development initiative focused on assisting existing local economic-base companies.

While the City and County have both expanded their economic development strategies to include entrepreneurship and retention of local businesses, recruitment is still an important – but not sole – source of expanded employment opportunities in the future.

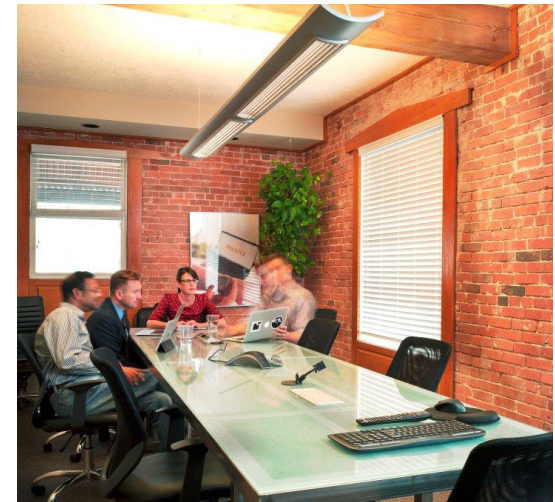


Image credit: City of Albuquerque

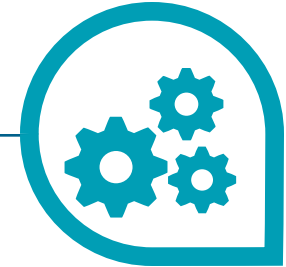


Innovative local spaces that support economic development in Albuquerque.



8.2 Goals, Policies & Actions

for Economic Development



Goal 8.1 Placemaking

Create places where business and talent will stay and thrive.

Goal 8.2 Entrepreneurship

Foster a culture of creativity and entrepreneurship and to encourage private businesses to grow.

Policies are organized to support each Goal. Many Policies have supporting Sub-policies, cross-references to other relevant policies, and implementing Actions to more clearly guide decision making.

[ABC] indicates a policy or action for both the City and County
[BC] indicates a policy or action for Bernalillo County
[A] indicates a policy or action for the City of Albuquerque

Goal 8.1 Placemaking

Create places where business and talent will stay and thrive.

POLICY 8.1.1

Diverse Places: Foster a range of interesting places and contexts with different development intensities, densities, uses, and building scale to encourage economic development opportunities. [ABC]

- a) Invest in Centers and Corridors to concentrate a variety of employment opportunities for a range of occupational skills and salary levels. [ABC]
- b) Support a variety of lower-density, lower-intensity services, jobs, and housing outside of Centers. [ABC]
- c) Protect natural resources, including land and resources necessary for agricultural economic development in rural areas. [BC]
- d) Invest in Downtown to increase its viability as a regional employment center. [A]

- e) See **Community Identity Goals 4.1 and 4.3** for protections for existing neighborhoods.
- f) See **Land Use Goals 5.1 and 5.2** for policies about where and how growth and development should occur.
- g) See **Land Use Goal 5.7** for regulatory approaches to promote development that furthers the goals and policies of the Comp Plan.
- h) See **Urban Design Goal 7.3** for policies that reinforce sense of place.
- i) See **Parks & Open Space chapter** for outdoor and recreation opportunities as part of our diverse places.
- j) See **Heritage Conservation chapter** for cultural assets and traditions.

ACTIONS

- 8.1.1.1** Track rates of investment and population in Centers and Corridors over time. [A]

8.1.1.2 Work with nonprofits and businesses to market Downtown to attract and maintain a variety of retail and service-related businesses. [A]

8.1.1.3 Work with State and Federal users to encourage governmental offices downtown. [A]

POLICY 8.1.2

Resilient Economy: Encourage economic development efforts that improve quality of life for new and existing residents and foster a robust, resilient, and diverse economy. [ABC]

- a) Maximize opportunities for economic development that furthers social, cultural, and environmental goals.
- b) Encourage the production, local sale, and export of locally-grown and made goods.

- c) Prioritize local job creation, employer recruitment, and support for development projects that hire local residents.
- d) Grow the community's economic base through recruitment, retention/expansion, and new business startups to bring additional income into the region.
- e) Encourage livable wages and high-quality work environments.
- f) Coordinate with schools, universities, vocational programs, and workforce training providers to build worker capacity and skills.

POLICY 8.1.3

Economic Base: Strengthen and diversify the economic base to help reduce reliance on government spending. [ABC]

- a) Promote and support local export-based businesses (e.g. manufacturing) as a way to stimulate local economic activity.
- b) Prioritize infrastructure improvements to support business development in areas with high potential for employment opportunities, such as the I-25 Corridor and West Side Employment Centers.

- c) Recruit new export-based businesses to expand and diversify the economic base.
- d) Focus economic development strategies, programs, and activities to support existing and emerging economic base industry clusters that are important to the region.
- e) See **Transportation Goal 6.2** for multi-modal priorities.
- f) See **Transportation Goal 6.6** for transportation investments, including freight, to support economic development.
- g) See **Infrastructure, Community Facilities & Services Goal 12.1** for infrastructure systems, including information technology.
- h) See **Infrastructure, Community Facilities & Services Goal 12.5** for policies to guide public resource allocation.

ACTION

8.1.3.1 Continue to implement public and private efforts to increase the commercialization of technology from the universities and National Laboratories into businesses in New Mexico. [A]

POLICY 8.1.4

Leverage Assets: Enhance and market the region's unique characteristics internally and to outside businesses and individuals in order to compete with other regions. [ABC]

- a) Encourage development that leverages the history and character of special places, such as Route 66 and Old Town.
- b) Promote the Open Space network and cultural landscapes as assets and quality of life amenities for tourism and recruitment efforts for businesses and talent.
- c) See **Community Identity Goal 4.3** for assets identified during the Community Planning Area (CPA) assessments.
- d) See **Land Use Policy 5.2.1** for desired land uses
- e) See **Land Use Policies 5.7.2 and 5.7.4** for regulations and processes that promote development that supports the Comp Plan vision.
- f) See **Parks & Open Space chapter** for parks, Open Space, and recreational assets.
- g) See **Heritage Conservation chapter** for cultural assets.



ACTIONS

- 8.1.4.1** Participate in developing MRCOG’s area-wide economic development strategy. [ABC]
- 8.1.4.2** Develop and target incentive programs to promote beneficial economic development throughout the community. [ABC]
- 8.1.4.3** Use forums, events, and printed materials to share success stories of local businesses and public projects and partnerships. [ABC]
- 8.1.4.4** Identify special and vibrant places through the CPA assessment process to highlight through interactive maps and walking tours. [A]
- 8.1.4.5** Develop and support convention-related facilities. [A]

POLICY 8.1.5

Available Land: Maintain sufficient land that is appropriately zoned to accommodate projected employment growth in targeted areas. [ABC]

ACTION

- 8.1.5.1** Certify and market available industrial and business park locations throughout the city and county. [ABC]

Goal 8.2 Entrepreneurship

Foster a culture of creativity and entrepreneurship and encourage private businesses to grow.

POLICY 8.2.1

Local Business: Emphasize local business development. [ABC]

ACTIONS

- 8.2.1.1** Foster relationships and partnerships with nonprofits, private developers, and lending institutions to implement priority economic development strategies, mixed-use development, and catalytic projects. [ABC]
- 8.2.1.2** Partner with local tourism organizations to promote entrepreneurship and existing businesses. [ABC]
- 8.2.1.3** Offer incentives to local employers to expand and diversify the employment base. [ABC]

POLICY 8.2.2

Diverse Talent: Promote a more inclusive ecosystem for developing entrepreneurs. [ABC]

- a) Encourage entrepreneurship among traditionally underrepresented segments of the community, including multilingual people, women, and veterans.
- b) Promote efforts to reach potential entrepreneurs in the neighborhoods and industry sectors where they work.
- c) Support neighborhood-based capacity building for potential entrepreneurs.
- d) See **Policy 8.1.1** above for development that encourages economic development opportunities.
- e) See **Land Use Goals 5.1 and 5.2** for policies about where and how growth and development should occur.

ACTION

- 8.2.2.1** Utilize resources such as Navigators and the Molino Project to reach further into the community. [ABC]

POLICY 8.2.3

Sustainable Business: Provide incentives for development projects and businesses that have sustainable economic characteristics. [ABC]

- a) Encourage innovative, energy efficient design and construction, standards, and techniques.
- b) Promote local hiring, higher-wages, and business that contribute to the economic base (export-based).
- c) Cluster compatible businesses to allow for more efficient movement of goods, services, and workers.



- d) Promote businesses that have economic qualities and/or products that support sustainability.

POLICY 8.2.4

Public Funds: Leverage public funds and efforts to support venture capital and private investment. [ABC]

ACTIONS

- 8.2.4.1** Provide incentives to prospective employers through municipal industrial revenue bonds, planning activities, tax abatement and credits, and recruitment and training services. [ABC]
- 8.2.4.2** Develop programs and spaces designed to support entrepreneurs from a variety of industry backgrounds, including creative, hi-tech, software, hardware, and biology. [ABC]

POLICY 8.2.5

Creative Economy: Promote the creative economy. [ABC]

- a) See **Heritage Conservation Policy 11.1.1** for economic activity related to agriculture.
- b) See **Heritage Conservation Goal 11.5** for policies about public art and cultural programs.

ACTION

- 8.2.5.1** Promote and participate in recreational, athletic, arts, and cultural programs and events. [ABC]

POLICY 8.2.6

Job Training: Support existing entrepreneurship, education, training, and programs. [ABC]

ACTIONS

- 8.2.6.1** Partner with educational institutions, non-profit organizations, and potential employers to offer adult education, training, and workforce development programs. [ABC]
- 8.2.6.2** Leverage programs at libraries and community centers to cultivate skills and train future workers. [ABC]

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