

**SAWMILL COMMUNITY LAND TRUST  
ECONOMIC DEVELOPMENT PLANNING  
FOR  
*ARBOLERA DE VIDA***

**STEP ONE:  
COMMUNITY VALUES, POSSIBILITIES & PRIORITIES**

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## BACKGROUND

Sawmill Community Land Trust is required by the terms of its Master Plan agreement with the City of Albuquerque, to develop and submit a plan to the City for the final, economic development phase of the *Arbolera de Vida* development. This report is due to the City, for review and approval no later than June 30, 2011. Once completed, the non-residential/commercial uses proposed by Sawmill CLT will further advance this remarkable, innovative, multi-use community.

As has been the case from its very origins, all planning for strategic activities undertaken by Sawmill Community Land Trust are grounded in the community it serves. Hence, the planning process begins with you all, as those who make up who and what Sawmill CLT really is.

The overall objective of this planning process is to identify a plan for implementing the economic development phase of *Arbolera de Vida* – a plan that will both:

- Meet the preferences of Sawmill CLT's board of directors, staff and stakeholders (*Arbolera de Vida* homeowners and renters, Sawmill CLT members and residents of the surrounding community; and
- Be deemed feasible and appropriate for the site(s), as determined by a professional market analysis.

The process began with a series of meetings held in the Sawmill Lofts on August 20 & 21, 2010 – first, on Friday night, August 20<sup>th</sup>, with Sawmill CLT staff and board of directors, and next, on Saturday morning, August 21<sup>st</sup>, with key stakeholders, including homeowners, renters, Sawmill CLT members and community residents. The purpose of these planning sessions was threefold:

1. To provide background information on ideals and the guiding principles envisioned by those involved in the development of the original Master Plan for *Arbolera de Vida*;
2. To provide basic information about the complexity and unique requirements of commercial development and commercial business operations – factors that must be taken into consideration in determining the final, preferred plan for non-residential/commercial use(s) on remaining acres on the site; and
3. To begin the planning and discernment process by having Sawmill CLT staff and leadership, as well as stakeholders, begin to identify and articulate:
  - a. The values and ideals to preserve in any proposed non-residential/commercial use(s) on *Arbolera de Vida*;
  - b. The risks and potential threats to *Arbolera de Vida* that need to be avoided, if at all possible, in developing plans for non-residential/commercial use(s); and
  - c. Individual preferences – and areas of common agreement – regarding these proposed non-residential/commercial use(s).

Additionally, while in Albuquerque, members of Sawmill CLT's staff and I met with two local, commercial development professionals, to solicit their preliminary thoughts about potential non-residential/commercial uses on the available *Arbolera de Vida* sites.

What follows is a summary of the key input provided during these various meetings on August 20 & 21, followed by a preliminary assessment of areas in which I saw at least some common agreement.

## **KEY INPUT**

### A. Historical perspective on the *Arbolera de Vida* Master Plan

Debbie O'Malley, speaking from her perspective as the Executive Director of Sawmill CLT when the Master Plan with the City was originally deliberated and negotiated, provided an overview of what the community envisioned in its planning for the community back when this agreement was struck. Highlights from her historical perspective included:

- *Arbolera de Vida* developed out of a sense of environmental justice and economic justice, principles that have guided its planning and development. Just as with the homes at *Arbolera de Vida*, any non-residential or commercial uses need ought to be community-friendly, attractive and sustainable.
- According to the Master Plan agreement, Sawmill CLT is expected to pay the City for the land on which the commercial uses will be located – something that will need to be addressed in whatever plans are presented to the City at the end of this planning process.
- Those involved in initial planning were expecting (hoping?) that the non-residential/commercial uses would be generate revenue that Sawmill CLT could use to support its ongoing operations.

### B. Requirements for commercial development and commercial business operations

Sawmill CLT's experience, to date, has been in the successful development, occupancy, and operation of housing. Successful development and operation of commercial enterprises, however, is, in many ways, an altogether different ballgame.

1. Commercial development is not the same as residential development – it has different, non-linear timelines, financing sources & uses, and market risks.
2. The eventual plan for whatever commercial uses gets planned and developed on the remaining six+ acres on *Arbolera de Vida* will need to:
  - Meet with Sawmill CLT board, staff and stakeholders' approval

- Comply with existing zoning or requirements or be able to persuade the City to grant a variance for a non-conforming use
  - Meet with City of Albuquerque approval
  - Fit on the existing site(s)
  - Demonstrate market demand (evidenced by market study) for proposed commercial use
  - Secure debt and equity financing for project development
  - Operate successfully on a month-to-month, year-to-year basis
3. The plan for *any* commercial use will need to meet all of these requirements.
4. And *every* one of these requirements is just as important as the others.

I also provided a brief overview of the potential roles Sawmill CLT could play in the development, ownership and operation of any commercial properties to be developed on the *Arbolera de Vida* site – and the potential benefits and risks to Sawmill CLT associated with each of these possible roles. [See Exhibit A below].

C. Input and preliminary suggestions from commercial development experts

To inform the initial deliberations and planning of the Sawmill community, I suggested that it might be helpful to get the initial thoughts and reactions from professionals in the commercial development field. Accordingly, two separate meetings were held on Friday afternoon, August 20<sup>th</sup>, involving members of Sawmill CLT's , Debbie O'Malley and myself, meeting first with Dale Dekker (of Dekker/Perich/Sabatini) and Jim Dobbie (of Hunt Development Group). Highlights of their somewhat off-the-cuff reactions and responses to the potential non-residential/commercial development of the remaining *Arbolera de Vida* parcels included:

- ❑ *Dale Dekker* – From the outset, Mr. Dekker pointed out that the sites available for commercial development within *Arbolera de Vida* are neither retail sites nor destination sites. His initial reaction was that perhaps Sawmill CLT should go with development built around a “handcrafted, authentic New Mexico” theme, similar to “Handcraft USA” in Asheville North Carolina. For example, there could be space for artisans to create their art and manufacture their crafts, with some display (and potentially retail) space on-site and a showroom of some sort located closer to Rio Grande Avenue – particularly because of the site’s proximity to Old Town and because tourism continues to be the second largest driver of the local economy. He suggested that an entrepreneur with experience in Southwest traditions and trades would be critical to the successful operations of a set of enterprises built and operated around the “handcrafted, authentic New Mexico” theme.

Mr. Dekker suggested two potential partners to further explore this option: Jim Long, the owner of the Hotel Albuquerque, the largest conference hall in New Mexico, host to thousands of hotel guests and participants in on-site conferences, government meetings and social gatherings of different sorts each year; and the Hispanic Cultural Center, which might be interested in promoting and supporting a local cultural and artistic effort like this.

There was also a brief discussion in this meeting about the potential for creating a space that could operate as a small retreat center (among, potentially, other uses) on the site, as there is currently nothing similar available in the Albuquerque area. (The closest small retreat center space is in Santa Fe). Such a use would allow for potential collaboration with Hotel Albuquerque, which could provide overnight lodging.

- *Jim Dobbie* – Mr. Dobbie began with a preliminary assessment of the site, noting that access to site, along Aspen, is neither attractive nor convenient. He also observed that the signage potential, facing I-10, is “fantastic”. He also talked about particular advantages Sawmill CLT might be able to offer to commercial developers/users on these sites. Commercial developers and business owners shop on price – are always looking for a competitive advantage. Questions that developers and potential commercial tenants will ask will be: “Why here? Do I have an advantage here?” He also pointed out the challenges Sawmill CLT will face in competing with the market, observing that there is plenty of vacant building space available in the Albuquerque market – e.g., how will Sawmill CLT compete, creating new commercial space that will rent for \$5/SF, when there is plenty of vacant space – albeit older and, perhaps less prime – that rents for \$3/SF? “Pretty buildings”, he observed, will not be enough to draw commercial tenants/businesses to *Arbolera de Vida*.

Mr. Dobbie suggested the possibility of developing live/work space – e.g., small (1000SF) space for operations of 2-3 people; something like what’s behind Starbucks on Rio Grande: small realty office (for closings); beauty salon; environmental consulting office. He thought there could be demand for small business space(s) – spaces one step up from incubator spaces – suggesting that perhaps Sawmill CLT could develop commercial sites in phases – e.g., get a “chunk” of money to do 5,000SF; fill it; then build next building; knit together a bunch of singles.

Finally, he cautioned Sawmill CLT not to get too “granular” – i.e., focus too tightly – in its non-residential/commercial properties. For example, if Sawmill CLT elects to go with “handcrafted, authentic New Mexican” arts & crafts theme, what happens, somewhere down the line, when space is vacant and a dentist comes along and wants the space? Sawmill CLT will face a decision to either leave the space vacant until a “suitable and appropriate” business comes along (and bear the potentially serious financial consequences of this property sitting empty) or choose to

rent the space to the dentist (with potentially serious repercussions for the other “authentic New Mexican” businesses).

D. Input from Sawmill CLT board of directors, staff and stakeholders

1. Community values to be protected and promoted:

Discussion and brainstorming then turned to consideration of community values to be protected and promoted, if at all possible, in the non-residential/commercial use(s) proposed for *Arbolera de Vida*. Those participating were asked to respond to several value-based questions: What do you value about *Arbolera de Vida*? What are the characteristics of *Arbolera de Vida* that need to be protected, preserved and promoted in any non-residential/commercial uses to be located on the site?

*Responses included:*

- Compatibility with existing neighborhood culture and environment - *Arbolera de Vida* is a quiet and peaceful community of homes and families (many of them multi-generational). And the aesthetics and charm of the neighborhood (small; quality; village feeling; Old Town character) need to be preserved and promoted.
- Non-residential/commercial uses should improve (rather than detract) from the quality of life for *Arbolera de Vida* residents.
- Non-residential/commercial uses at *Arbolera de Vida* should, whenever possible, goods and services of interest and benefit to local residents and residents of the surrounding community.
- *Environmental justice* is central to the *Arbolera de Vida* community – and needs to be preserved. Similarly, *economic justice* is also central to the *Arbolera de Vida* community. As such, goods and/or services provided by any commercial uses here should be affordable to local consumers and fairly priced for lower- and middle-income producers.
- Small is good
- Sustainability – the non-residential spaces and uses need to be sustainable, up front and over time.
- Preserving the history and culture of the community and the area is important.
- Spaces for non-residential/commercial uses should be flexible and easily adaptable for multiple or different uses over time.
- Job creation – including jobs for local/neighborhood residents – would be a definite plus.

2. Risks and possible threats to be avoided:

Participants were then asked about concerns that they had about potential risks and possible negative impact that should be avoided, whenever possible, in the design, development and operation of non-residential/commercial uses on the *Arbolera de Vida* site. Questions

posed to the participants included: When you think about a commercial use, what are the threats that could be raised by this economic development phase? How might a commercial operation on the *Arbolera de Vida* site negatively impact the community?

*Responses included:*

- Commercial is risky – socially and politically, as well as financially.
- Equity and debt financing for commercial development and for commercial business operations is tight, especially in current economic conditions.
- Sawmill CLT technically needs to pay City for land on which non-residential/commercial uses will be built. Sawmill CLT does not have deep pockets; therefore, these costs will need to be borne by commercial business owner(s).
- Serious concerns expressed about negative impacts on *Arbolera de Vida* residents and community, included:
  - Increased traffic; impact on child-friendly, pedestrian-friendly, and bike-friendly character of the neighborhood.
  - Increased light pollution (e.g., all-night lights).
  - Increased noise pollution (e.g., cars, trucks, general commerce).
  - Increased air pollution (e.g., car and truck exhaust).
  - Increased sight pollution (e.g., parking ramps or multi-story buildings).

### 3. Preferences for non-residential/commercial uses

Participants were then given an opportunity to identify personal preferences for non-residential commercial uses on the 4.85-acre and the .61-acre sites in the *Arbolera de Vida* community. First, there was group discussion about preferred uses and potential areas of agreement, followed by an opportunity for each participant to individually their top preferences for non-residential/commercial uses, as well as uses that she/he simply could not tolerate on the *Arbolera de Vida* site.

A tally of these individually noted preferences is listed below – on pages 8 & 9. Responses made by participants in the Friday night (August 20<sup>th</sup>) session with Sawmill CLT board of directors and staff are noted in blue, whereas the responses made by stakeholder participants on Saturday morning (August 21<sup>st</sup>) are noted in red.

Following some initial tallying of the results of these individual preferences, there was some group discussion – in each of the sessions – to get reactions and to determine there might be areas of agreement.

Community Preferences  
Aug 20-21, 2010

Possible use	YAY	NAY
<i>Marketing space</i>		
Farmer's or grower's market	X X	
Artist/artisan marketplace	X X X X X X X	
<i>Grocery</i>		
Small grocery store/ market	X X X X X X X X X X X X	X
Grocery with pharmacy	X	
<i>Health center/medical clinic</i>		
Clinic	X X X X X X X X X X X X	
<i>Office space</i>		
Professional space (accounting; legal, etc.)	X X X X X X X X X X	
Nonprofit office space	X X X X	
Social service agency/support services	X X	X
Government space	X	
<i>Food/coffee/ice cream</i>		
Café	X X X X	
Ice cream/coffee parlor/deli	X X X X X X X X X X	
Internet café/computer center	X	
Bakery	X	
<i>"Educational facility"</i>		
Before/after school educational facility	X X X X X X X	
Educational facility (art, piano, etc.)	X X X	
Educational facility	X X X	
School		X X X X X X X X
<i>Adaptable space for variety of uses</i>		
Retreat center/chapel	X X	
Performance space	X	
Community resource center	X X	
Art gallery	X X X	
Festival/special events space	X	
Artist incubator space	X	X
Gym/fitness/ multi-gen. community center	X X	
Brewery	X X X X X	X
Bookstore	X X X X	
Landscape/nursery	X X X	
Branch bank	X X X	
Assisted living	X X X	
Light industrial	X X X	
"Human style" economics (flowershop, natural food store, etc.)	X X X	X X X X
Handyman/maintenance services	X	
Warehouse	X	X
Bed-and-breakfast	X	X X X X
Post office	X	
Daycare	X	X X
Police substation	X	

*Note: Responses from August 20<sup>th</sup> planning session with Sawmill CLT staff are noted in blue and responses from August 21<sup>st</sup> planning session with Sawmill CLT stakeholders are noted in red.*

Kinko's/Mailbox, Etc.	x	
Day spa	x	x
Small library	x	
Bicycle/moped/alternative transportation center (manufacturing, repair & sales)	x	
"Green" resource/conservation center (H2O, environment, etc.)	x	
Barber shop	x	
Open space/ag space	x	
Artist studio space	x	
Movie theater	x	
Park/playground	x	
Storage facilities		x
Adult entertainment businesses		x x x
Bars		x x x
Anything with all-night noise or lights		x x x x x x x x
Package liquor stores		x x x x
Motorcycle shop		x
Huge or tall (over 2-stories) building(s)		x x
Bail bond company		x
Fire station		x
"Big box" business/chain store		x x x x x x x x
Fast food joint		x x
Car dealership		x
Parking ramp		x
"Ye Olde Towne" anything		x
Trash/recycling area		x
Political organization		x
Mechanics and auto repair		x

*Note: Responses from August 20<sup>th</sup> planning session with Sawmill CLT staff are noted in blue and responses from August 21<sup>st</sup> planning session with Sawmill CLT stakeholders are noted in red.*

## **PRELIMINARY ASSESSMENT: POTENTIAL AREAS OF AGREEMENT**

As was made clear from the outset of these planning sessions, the purpose of these meetings was to *begin* – not complete – the process by identifying community values and individual preferences. The intent was to “blue-sky” possibilities, rather than work to reach consensus on a single (or several) preferred non-residential/commercial use(s) to be developed at *Arbolera de Vida*.

### Community preferences

As the tally on the preceding pages indicates, there were several areas where there was significant agreement – although, by no means, consensus – on possible non-residential commercial uses. These include (in order of the total number of “votes”):

- Of all the possible non-residential/commercial uses proposed, the single, most frequently suggested use was for “marketing space” – either for farmers and growers or for artists and artisans (or both). [Although not specifically suggested, this use could fit with the “handcrafted, authentic New Mexico” theme suggested by one of the commercial developers.]
- The next most frequently suggested use was for space for a range of tenants, including professionals (legal, accounting, etc.), nonprofits, social services agencies and governments – space that would most likely be structured and leased as office space. This is particularly interesting, given that a city employee present at one of the sessions noted that there is a projected 3-5 year absorption rate for existing office space.
- There was also notable interest in the possibility of a small business at which people gather and food of some sort is served, ranging from a café to an ice cream parlor to a coffee shop to a deli to a bakery.
- There was interest in an “educational facility” of some sort, although there was a fair bit of diversity in the types of education that would take place in the facility, including before/after school services and specialized lessons, such as art and piano. [At the same time, it bears noting here that there were seven individuals – all from the stakeholder group – who stated that they believed strongly that there should not be a “school” on the site.]
- There was also interest in a category that I created by lumping together what I deemed to be a number of related uses – a category I call “flexible”, community center space. Uses for adaptable space – presumably, open space in which portable walls could be moved to accommodate these different uses included: retreat center; chapel; performance space; community resource center; art gallery; artist incubator space; multi-generational center; and festival/special events space.

- There was interest in a small grocery store or *marketa*.
- There was interest in a community health center or clinic.
- Beyond this, there were many other equally valid suggestions made regarding possible non-residential and/or commercial uses.

### “No Go”

There was also significant agreement about several “things” that really ought not be tolerated on the *Arbolera de Vida* site, some of which may directly conflict with some of the non-residential/commercial uses that were proposed. Of particular note:

- A number of participants expressed strong opposition to any use that would require 24-hour noise or all-night lighting of the facility or of the parking required by the facility – something that could be a potential conflict for almost any proposed non-residential/commercial use.
- There was significant opposition to a range of “non-desirable” uses, including “big box” stores, liquor stores, adult entertainment businesses, high-rise buildings and the like – all uses that would likely neither fit on the site nor be allowed by City zoning.
- And (repeating a point made above) there were a number of people who were adamant about not allowing a school on the premises.

## **CONCLUSION**

First, allow me to offer, in advance, an apology if I have somehow misinterpreted or mistakenly categorized a suggestion or comment made by any of you. You will have an opportunity – at our next meeting and at each step in the process – to make sure that your input is accurately and fairly stated and noted.

Your “homework” is to read through this summary – to make sure it is accurate but, more importantly, to reflect on the input compiled, to see if any of this brings further clarity to you about what might be the best non-residential or commercial use (or uses) to be developed on *Arbolera de Vida*. We will, I assure you, be discussing and deliberating these issues again, all in an effort to see if we can reach common agreement on a single “best” possible use for your community.

Here’s the process: Connie and the folks at Sawmill will convene another meeting of the stakeholder group, to gather additional input on the information in this summary. Then, a few weeks later, I’ll come back – and we’ll all meet again to see if we can move closer to agreement on a short list of possible uses. I look forward to this next phase of your discussions and deliberations.

**Meeting of Sawmill CLT Board of Directors and Staff  
Planning for Commercial Uses on Arbolera de Vida site  
Friday, August 20, 2010  
5:30– 8:00PM**

**- PROPOSED AGENDA -**

**5:30PM** [10 minutes]

**Welcome & introductions. Overview of overall planning process & review of agenda for this meeting**

**5:40PM** [15 minutes]

**Historical perspective: Report on community values and vision for Arbolera de Vida when community developed the Master Plan**

**5:55PM** [15 minutes]

**Basics of commercial development**

**6:10PM** [25 minutes]

**Community values – to guide discussion of preferences for commercial uses**  
*Group discussion*

**6:35PM** [30 minutes]

**Preferences for commercial uses on Arbolera de Vida site**  
*Group discussion & individual exercise*

**7:05PM** [10 minutes]

**Break**

**7:15PM** [45 minutes]

**Preferences for commercial uses on Arbolera de Vida site (continued)**  
*Group discussion*

**Recap & summary – and discussion of next steps**

**8:00PM – Adjourn**

**Meeting of Sawmill Community Land Trust Stakeholders  
Planning for Commercial Uses on *Arbolera de Vida* site  
Saturday, August 21, 2010  
9:30AM– 12:00PM**

**- PROPOSED AGENDA -**

**9:30AM** [10 minutes]

**Welcome & introductions. Overview of overall planning process & review of agenda for this meeting**

**9:40PM** [15 minutes]

**Historical perspective: Report on community values and vision for *Arbolera de Vida* when community developed the Master Plan**

**9:55AM** [15 minutes]

**Basics of commercial development**

**10:10AM** [25 minutes]

**Community values – to guide discussion of preferences for commercial uses**  
*Group discussion*

**10:35AM** [30 minutes]

**Preferences for commercial uses on *Arbolera de Vida* site**  
*Group discussion & individual exercise*

**11:05AM** [10 minutes]

**Break**

**11:15AM** [45 minutes]

**Preferences for commercial uses on *Arbolera de Vida* site (continued)**  
*Group discussion*

**Recap & summary – and discussion of next steps**

**12:00 NOON – Adjourn**