

Lomas Corridor | coming together



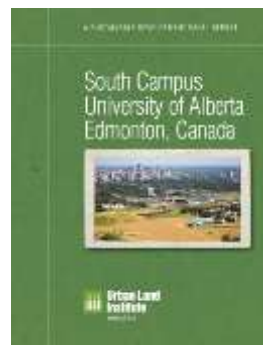
About the Urban Land Institute

- The mission of the Urban Land Institute is to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.
- ULI is a membership organization with nearly 30,000 members, worldwide representing the spectrum of real estate development, land use planning and financial disciplines, working in private enterprise and public service.
- What the Urban Land Institute does:
 - Conducts Research
 - Provides a forum for sharing of best practices
 - Writes, edits and publishes books and magazines
 - Organizes and conducts meetings
 - Directs outreach programs
 - Conduct Advisory Services Panels



The Advisory Services Program

- Since 1947
- 15 - 20 panels a year on a variety of land use subjects
- Provides independent, objective candid advice on important land use and real estate issues
- Process
 - Review background materials
 - Receive a sponsor presentation & tour
 - Conduct stakeholder interviews
 - Consider data, frame issues and write recommendations
 - Make presentation
 - Produce a final report



The Panel

- **John Walsh**, President, TIG Real Estate Services (Chairman)
- **Diana Gonzalez**, President, DMG Consulting Services
- **Glen Sibley**, President, Fleisher Smyth Brokaw
- **Allen Meacham**, Assistant Director - Real Estate, The Regents of the University of California
- **Bob Wulff**, Senior Vice President, B.F. Saul Company
- **Alan Mountjoy**, Principal, Chan Krieger/NBBJ
- **Otto Condon**, Principal/Urban Design, ZGF Architects
- **Bill Clarke**, Planning Consultant
- **Angelo Carusi**, Principal, Cooper Carry



Our Sponsors



Lobo Development

PARTNERSHIP+INVESTMENT+COMMUNITY

Special Thanks to

- Amy Coburn
- Dale Dekker
- Herb Denish
- Keelie Garcia
- Bob Goodman
- Karen Hudson
- Gloria Muñoz-Charvarria
- Kim Murphy
- Suzanne Barker Kalangis and the Sandia Foundation Board
- ULI Albuquerque District Council
- University of New Mexico Regents
- The many stakeholders and community members we met with through the week.

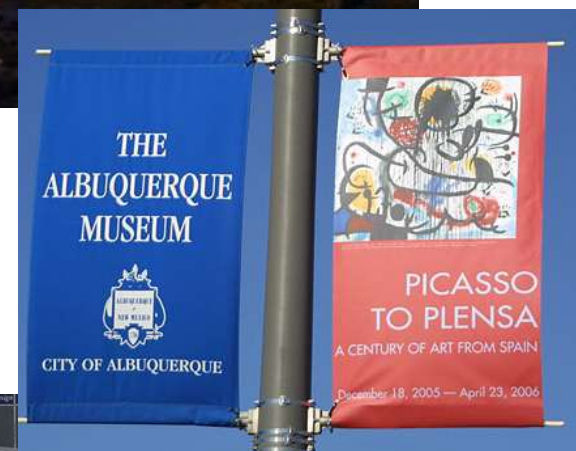
Our Assignment

- 
- What is the “best and highest” use of study area lands?
 - How does proximity of the University of New Mexico’s main campus and Health Sciences Center Campus help define the study area lands?
 - Can the study area act as a gateway for threshold to adjoining areas?
 - How could the site development mesh with evolving regional transportation studies and initiatives?
 - How does access to lands and future facilities bring value to the site?
 - How has the stakeholder input informed development of the study area?
 - Do public finance tools add value to the study area?
 - What are the development challenges and opportunities unique to this important study area?

Market Demand

Rich History + Unique Region

- Bordered by world class natural amenities – Sandia and Manzano mountains, Petroglyph National Monument.
- Scenic vistas and small town charm with urban amenities
- Low cost of living translates to a high quality of life with housing options in every price range
- Most residents can commute to work in less than 30 minutes
- Many art galleries, museums, and other cultural amenities
- Connections with history – founded over 300 years ago, historic Route 66



Market Demand

Economic Drivers – Demographics

- Region's population has increased by over 21% since 2000 and is expected to reach about 1.5 million by 2035.
- Ethnically diverse – 47% Latino, 42% white, 5% Native American
- Highly educated – 37% with four-year college degree or more, 24% with some college, over 25% with high school diplomas.
- Unemployment was 6.6% in Sept 2011, well below the national rate of 9.1%
- A relatively young population and a high growth rate compared to the US average will ensure healthy workforce availability into the future.

	2008 Population	2035 Population	Numeric Growth	Pace of Growth
MRCOG Region	883,901	1,552,125	668,224	75.6%
Bernalillo County	649,916	1,037,719	387,803	59.7%
Sandoval County	127,928	309,356	181,428	141.8%
Torrance County	17,923	27,836	9,913	55.3%
Valencia County	77,545	160,532	82,987	107.0%
Southern Santa Fe	10,589	16,682	6,093	57.5%

Market Demand

Economic Drivers – Industry

- Largest city within 400 miles, serves as regional financial hub
- Government employers: Sandia Laboratories, Kirtland AFB
 - Some concern that budget cuts on the federal level could impact employment base at Sandia and Kirtland.
- Institutional employers: University of New Mexico, healthcare
 - “Echo boom” will fuel increased UNM enrollment for years to come
 - Aging baby boomer population will drive continued growth of healthcare sector
 - Both of these groups will drive rental housing demand
- Private sector employers: Intel, Fidelity Investment, Verizon, Honeywell, Albuquerque Studios, Schott Solar and Molina Healthcare to name a few



Market Demand

Economic Drivers – Transportation

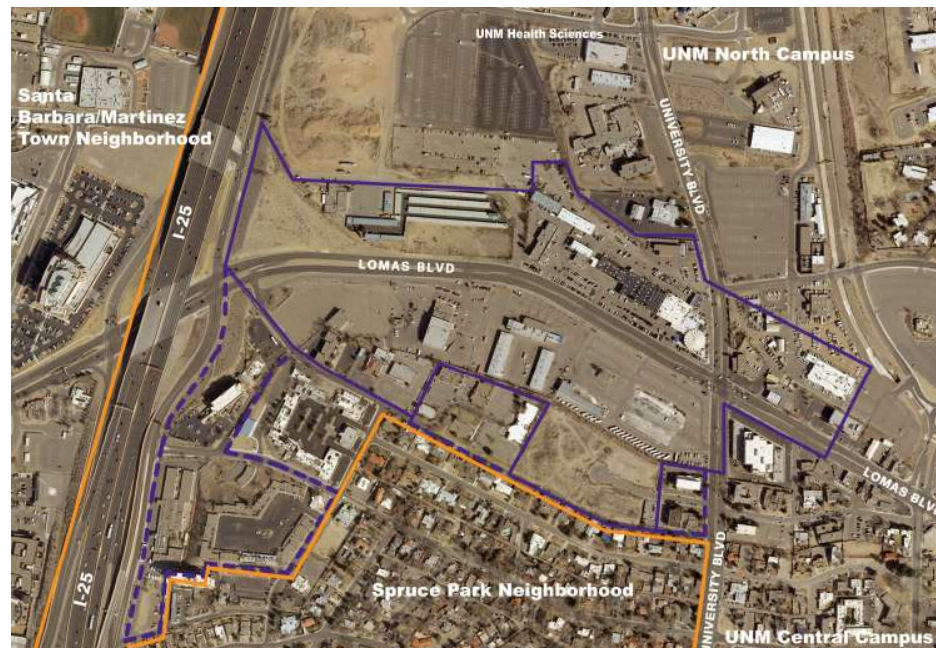
- ABQ Ride and Rapid Ride provide convenient access to many parts of the city
- Future transit options will ease the region's growing congestion
 - Bus rapid transit (BRT) along Central Avenue connecting downtown to UNM and onto Nob Hill and Uptown along University Boulevard
- New Mexico Rail Runner Express
- Healthy interstate system provides intra- and inter-regional access



Market Demand

Lomas Corridor – Strengths and Weaknesses for Development

- **Strengths**
- Strategically located between UNM Health Sciences Center and Central Campus
- Both areas are in need of adequate student and facility services/amenities as well as quality multifamily rental housing
- **Weaknesses**
- As currently configured, Lomas Boulevard is major barrier to development – large width, high speeds, lack of intersections
- Patchwork nature of real estate ownership
- Challenging topography



Market Demand

Potential Demand/Solutions

- Strong demand for student retail
- Need for campus-edge student parking
- Expressed demand for “empty-nester/alumni” housing
- Lack of sufficient housing for graduate/med students and older undergrads
- Current/future need for hospital-serving facilities
- Demand for hotel rooms to serve University and Medical Center meeting and conference needs and meet overflow from neighboring properties
- Lack of conveniently located grocery store and pharmacy destination
- Potential need for fitness facilities for students and neighborhood residents



Market Demand

Location, Location, Location

- Approximately 42,000 people employed within one mile of site
- City's Planned Growth Strategy recommends improving jobs/housing balance by developing mixed use centers with higher residential densities along older corridors like Lomas Boulevard
- Proximity to established and proposed transportation corridors with a mix of modes
- Should be developed to create linkages between UNM's three campuses and bring housing and services to where students, faculty, and staff are already located.



Market Demand

Site Configuration and Physical Features

- Site is divided by Lomas Boulevard
- Could provide opportunity for site to be developed in phases that can target the specific needs of UNM's growth plan over 25 years
- Physical features such as topography and elevation can enhance design attributes of any new development

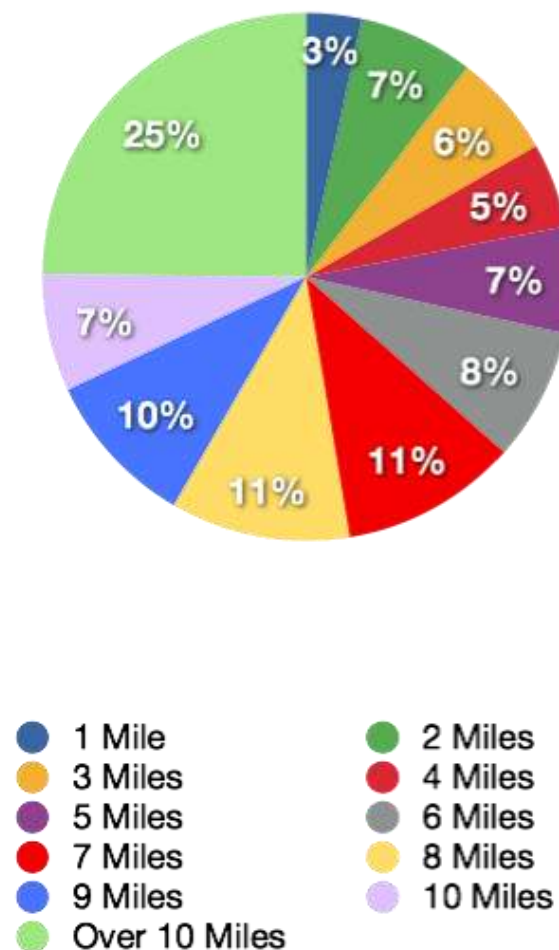


Market Demand

Traffic on Lomas Boulevard

- Lomas Boulevard is a heavily travelled road that traverses the city from Central Avenue to the foothills of the Sandia Mountains.
- Over 21,500 vehicles travel on Lomas Boulevard past the study area each day
- Traffic counts indicate that the site could be developed to capture the trips already passing by the site to support non-destination retail
- Need for infrastructure improvements related to parking and intermodal facilities.

Percentage of Students and Faculty/Staff by Distance from UNM

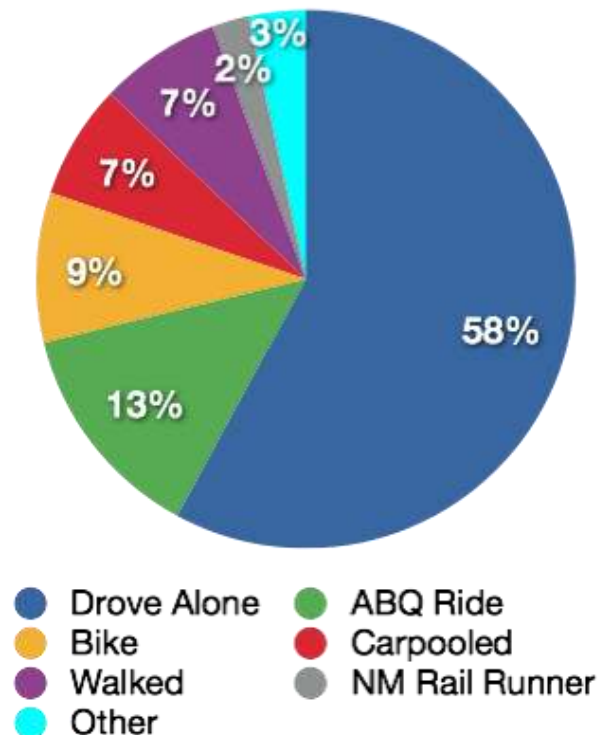


Market Demand

Integration of Pedestrian and Bike Infrastructure

- Site sits at nexus of city-wide network of bikeway improvements
- Sufficient land on both sides of boulevard to incorporate roadway improvements to enhance the bicycle and pedestrian environment and safety

Transportation Mode by Student, Faculty and Staff



Market Demand

Summary

- The Lomas Site has the market potential for the development of a live/work center focused on the following uses:
 - Housing for UNM Central and North Campus for students as well as general workforce market
 - Non-destination retail to serve the needs of those who work in the area and current/future residents
 - Intermodal center to serve students, faculty, and staff from all campuses as well as provide parking during non-peak hours
 - Other amenities that may include hospitality and university/research related offices



Development Strategies

Key Drivers

- Present Ownerships and Tenure
- Expansion Plans of the Health Sciences Center Campus
- Neighborhood Concerns
- Topography
- Nature of Demand for Space in the Study Area



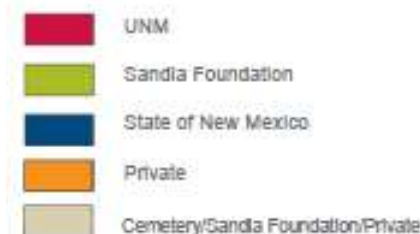
Development Strategies

Key Drivers - Present Ownerships and Tenure

Ownership

- South of Lomas, all parcels are owned by Lobo Development and Sandia Foundation, but holdings intermingled
- North of Lomas, Sandia Foundation owns the majority of the area, but three parcels owned by other parties
- East of University, most of the area is owned by the University – one parcel is owned by another party.

Absent a cooperative effort by Lobo Development and Sandia Foundation, it will not be possible to develop the Study area to its highest and best use



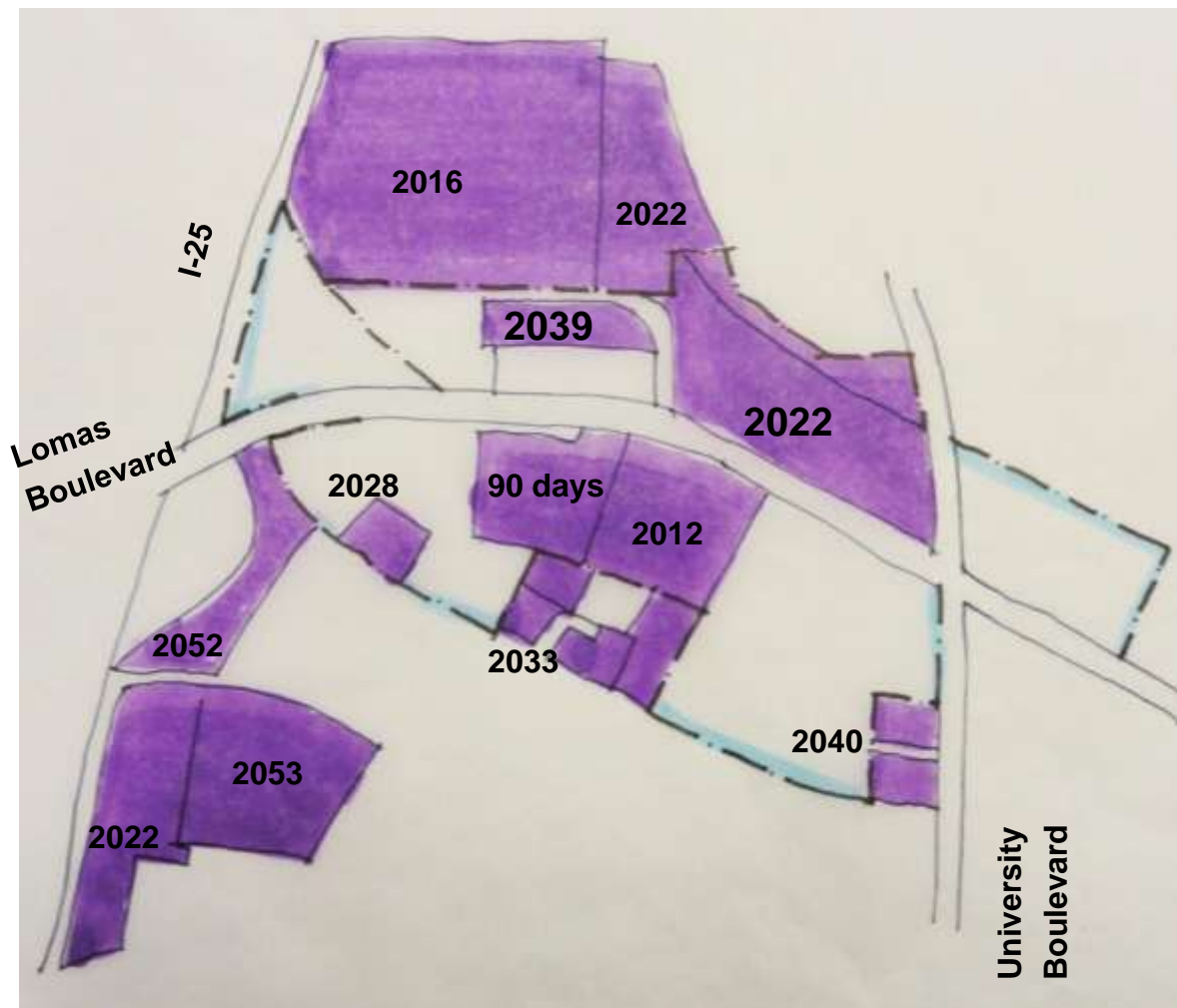
Development Strategies

Key Drivers - Present Ownerships and Tenure

Lease Tenure

- Five parcels subject to ground leases of varying terms
- Two leases – Galles Motors and storage facility – extend to 2022 and 2039, respectively

Without buying out these leases, development of the area north of Lomas and west of University may not be practical before 2022



Development Strategies

Key Drivers – Health Sciences Center Campus

- Much of the market demand in the Study Area is created by UNM students, employees, and visitors
- Health Sciences center embarking on major expansion over the next 20 years
- Construction of new adult acute care hospital could commence within the next year.
- Expansion physical impacts:
 - New four lane road along the alignment of Legion Road and
 - New road just north of the study area to the east I-25 access road



Development Strategies

Key Drivers - Neighborhood Concerns

Spruce Park

- Land use, heights, or densities of development might affect overall quality of life in neighborhood, interrupt views of mountains
- Development may increase traffic in neighborhood

Martineztown

- An extension of Mountain Road into Health Science Center Campus would create additional traffic on Mountain Road west of I-25
- Public facilities serving neighborhood are at capacity and new development could make situation worse
- Development of study area could compromise or destroy the cemetery on the north side of Lomas



Development Strategies

Key Drivers – Neighborhood Concerns

Solutions

- With careful attention paid to design and improvements to Lomas Boulevard, development of the study area will avoid any adverse effects on Spruce Park views and traffic
- Construction of a road in the Health Sciences Center to the eastern I-25 frontage road would keep new traffic generated away from adjacent neighborhood streets
- Cemetery should be maintained in its current location, and would not have great impact on potential development.
 - Certain landscape buffer improvements should be made around the cemetery



Development Strategies

Key Drivers – Topography

- South of Lomas, the study area slopes downward from its southern boundary
 - Opportunity to minimize the impact of new development on Spruce Park
 - Could allow for creation of distinctive residential development
- North of Lomas, the western-most parcel lies at a lower level than adjoining parcels and is separated by a retaining wall
 - Sites below American Legion hall and western part of self storage site are cut off from direct access to Lomas
 - Most efficient way to create access to them would be via the new road proposed through the Health Sciences Center to the I-25 frontage road



Development Strategies

Nature of Demand for Space

- 59 acres between University Avenue and I-25 bisected by Lomas Boulevard with approximately 31 acres north and 28 acres south
- Strategically located near the cities economic engines
 - 1 ½ miles from downtown
 - ¼ mile from UNM Health Sciences Center Campus
 - ½ from UNM central campus
- Our proposals are based on the number of jobs nearby:
 - Approximately 20,000 downtown employees
 - As many as 9,000 professionals, staff, and students at the Health Sciences Center
 - Almost 45,000 students and faculty at UNM central campus
- Five land use demands identified:
 - Housing
 - Retail
 - Medical offices
 - Hotel
 - University parking

Development Strategies

Nature of Demand – Housing

- Albuquerque's current rental housing market is very strong with demand exceeding supply
- Given this strong regional rental housing market, demand for rental housing at the study area will be especially strong because homes are where jobs go to sleep at night.
- The very high concentration of jobs around the site provides good market demand for three types of housing:
 - Student
 - Workforce
 - Empty nester
- All three demand types are best met through medium density housing like attached townhomes and multifamily apartments in various stacked configurations.



Development Strategies

Nature of Demand – Retail

- The current Albuquerque retail sector has been in recession since the end of 2006.
- The Panel believes the Study Area's unique location imbedded within the region's three major job generators creates a unique opportunity for successful retail development.
- This demand will be especially strong for neighborhood retail, including restaurant and professional services.



Development Strategies

Nature of Demand – Medical Office

- Albuquerque's office market posted its 5th consecutive quarter of negative absorption. Downtown office rents have fallen to \$15/SF and vacancy has fallen to 20%.
- Fortunately, the study area is adjacent to UNM Hospital and Health Science center which creates a demand for office space unrelated to traditional downtown users.
- The planned \$1.5 billion expansion will create significant demand for medical office space and dry labs that can best be provided off-site on private land within the study area.



Development Strategies

Nature of Demand - Hotel

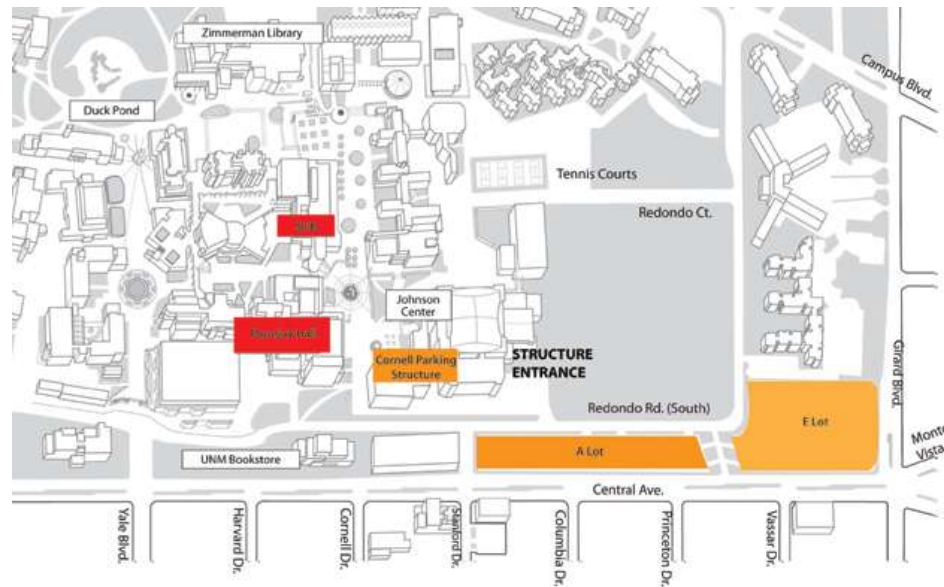
- In general, hotel supply and demand are in balance, although full service hotels are underperforming.
- One niche is underserved – the lower end of the extended stay hotel segment which can appeal to the \$81 per diem government traveler
- The Embassy Suites hotel just across I-25 from the study area is periodically oversold.
- UNM does not have a hotel to service its many conferences and visitors.



Development Strategies

Nature of Demand – University Parking

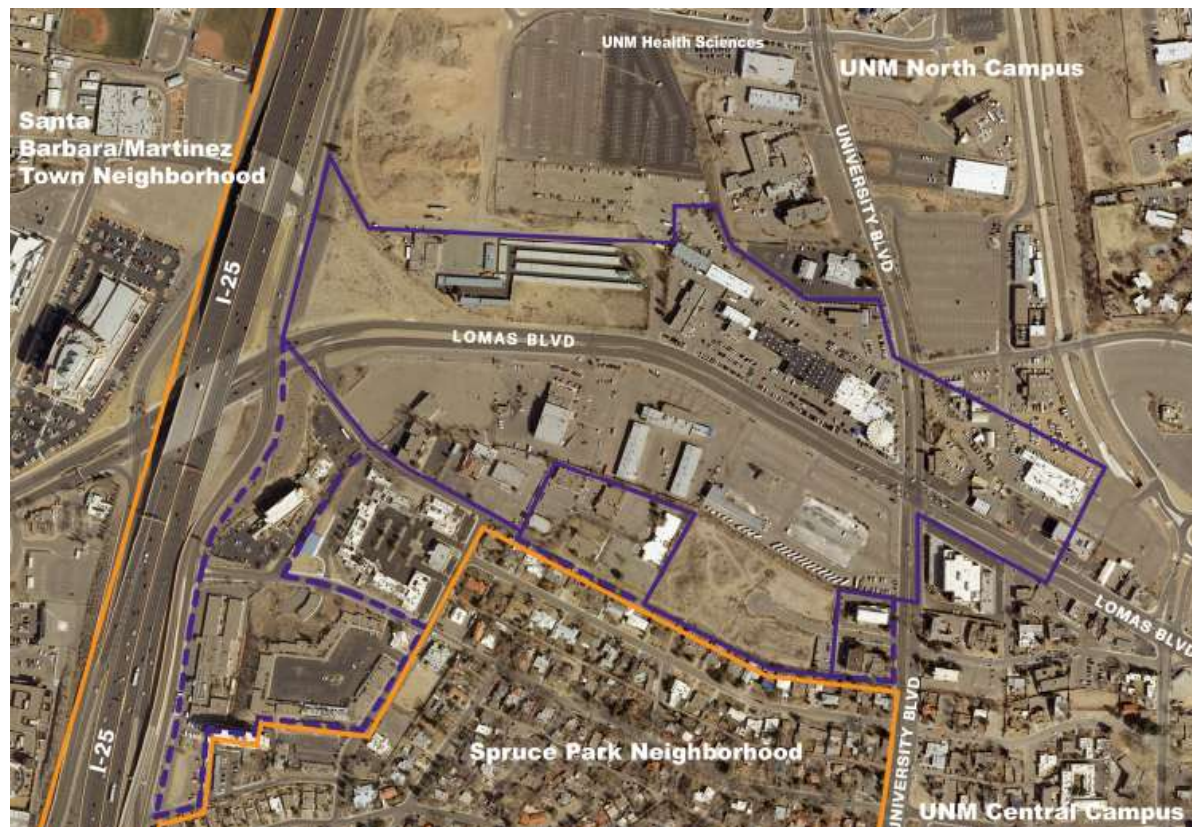
- UNM's stated policy is to move parking lots off campus to create land for classroom, office and dorm buildings.
- Parking Lot T is a UNM surface lot within the study area and presents an excellent opportunity to increase off-campus spaces by building a parking deck on the surface lot.



Development Program

South of Lomas Site

- This 29 acre parcel is the most easily developed of all the parcels in the study area because of its advantageous location and lack of an encumbering long term lease.
- The Panel proposes the following four components:
 - 1,000 space parking deck
 - 530 Rental Residential units
 - 180,000 sf Neighborhood Retail/Flex Space
 - 220 Hotel Rooms



Development Program

Parking Decks

- Currently occupying the east end of the site is UNM's parking lot T which contains about 550 surface spaces.
- The panel proposes that the UNM Transportation department finance and construct a 1,000 space, five level parking deck on this site.
- The deck would be lined on all 4 sides by a privately owned/leased component described in the retail and residential sections.



Development Program

Residential Component

- Three different types of rental housing are proposed to appeal to three distinct market niches.
- Thirty 2 story townhomes which are relatively large (2,000 sf) and include a 2 car garage.
- Four hundred courtyard apartments built as stacked flats of medium size (850 sf average) and parked at 1 space per unit in a surface lot or in a tuck- under arrangement.
- The 100 deck liner units are built on four levels in a single-loaded manner adjacent to two sides of the level parking deck. These are small units (600 sf average) parked at 1 space per unit in the deck.
- The 1 space to 1 unit parking ratio proposed for the 500 stacked flat units is below the standard generally used in Albuquerque.



Development Program

Retail/Flex Component

- Includes 120,000 sf of neighborhood retail and 60,000 sf of optional flex space.
- The retail is ground floor space abutting Lomas Boulevard and lining 2 sides of the parking deck.
- There are two solutions to filling this space depending on the retail market at the time of lease-up.
 - Grocer-anchored center (40,000-50,000 sf) with 70,000-80,000 sf of in-line stores.
 - If a grocer cannot be attracted, this space can be subdivided – preferably for junior anchors or a drug store.
- The 60,000 sf of flex space is located as a 2nd floor over a portion of the ground floor retail.



Development Program

Hotel Component

- The portion of the site adjacent to I-25 provides excellent visibility for a hotel use.
- Given the narrow demand for hotel rooms, the panel proposes a 2 stage hotel development.
- Begin with a 120 room extended stay to appeal to the \$81 per diem government market which is now underserved.
- If this hotel achieves a profitable occupancy, build a 120 room select service hotel like the Courtyard Marriott or Hilton Garden Inn.



Development Program

Subsidy

- This proposed development program – especially the mixed use parking deck and deck parked residential units – pushes the local development boundaries and rent standards.
- Deck parking will require apartment rents somewhat above what the Albuquerque market now pays.
- To stimulate these type uses may require a land owner subsidy via free land, tax abatements and other public incentives.



Development Program

North of Lomas Site

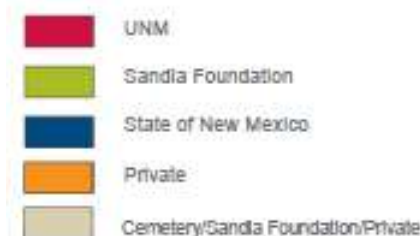
- DOT's Parcel. hotel and medical labs or office.
- Cemetery. not likely to ever be developed.
- Galles Chevrolet. The Hospital and expansion land is adjacent to this site. By 2022, the expansion may require additional land.
- Self Storage Site. As above, this land seems best utilized to compliment the adjacent hospital expansion.
- UNM Site. Located East of University. The site has excellent visibility and development potential but is currently underutilized by UNM.

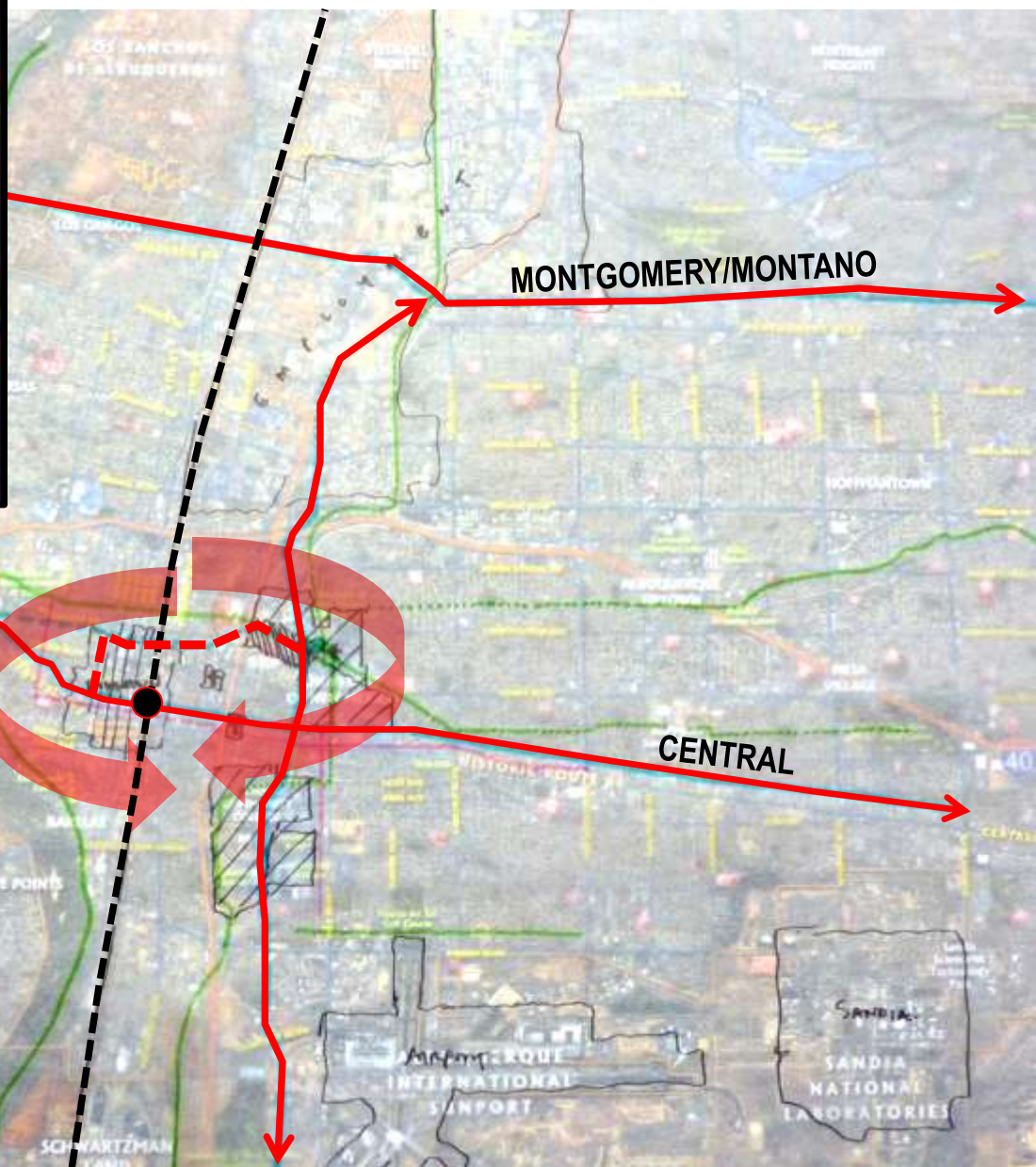


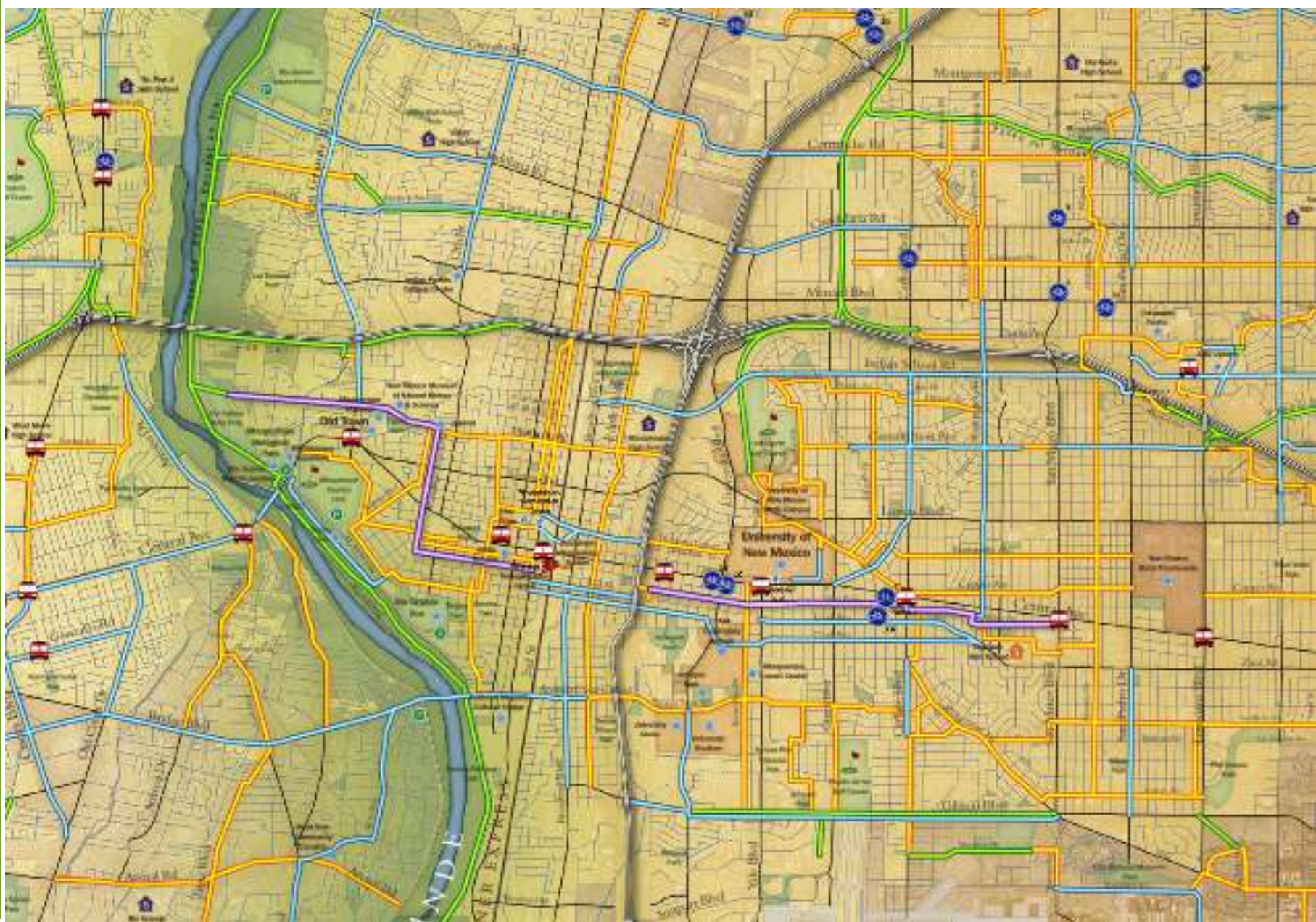
Development Strategies

Investment Time Horizon

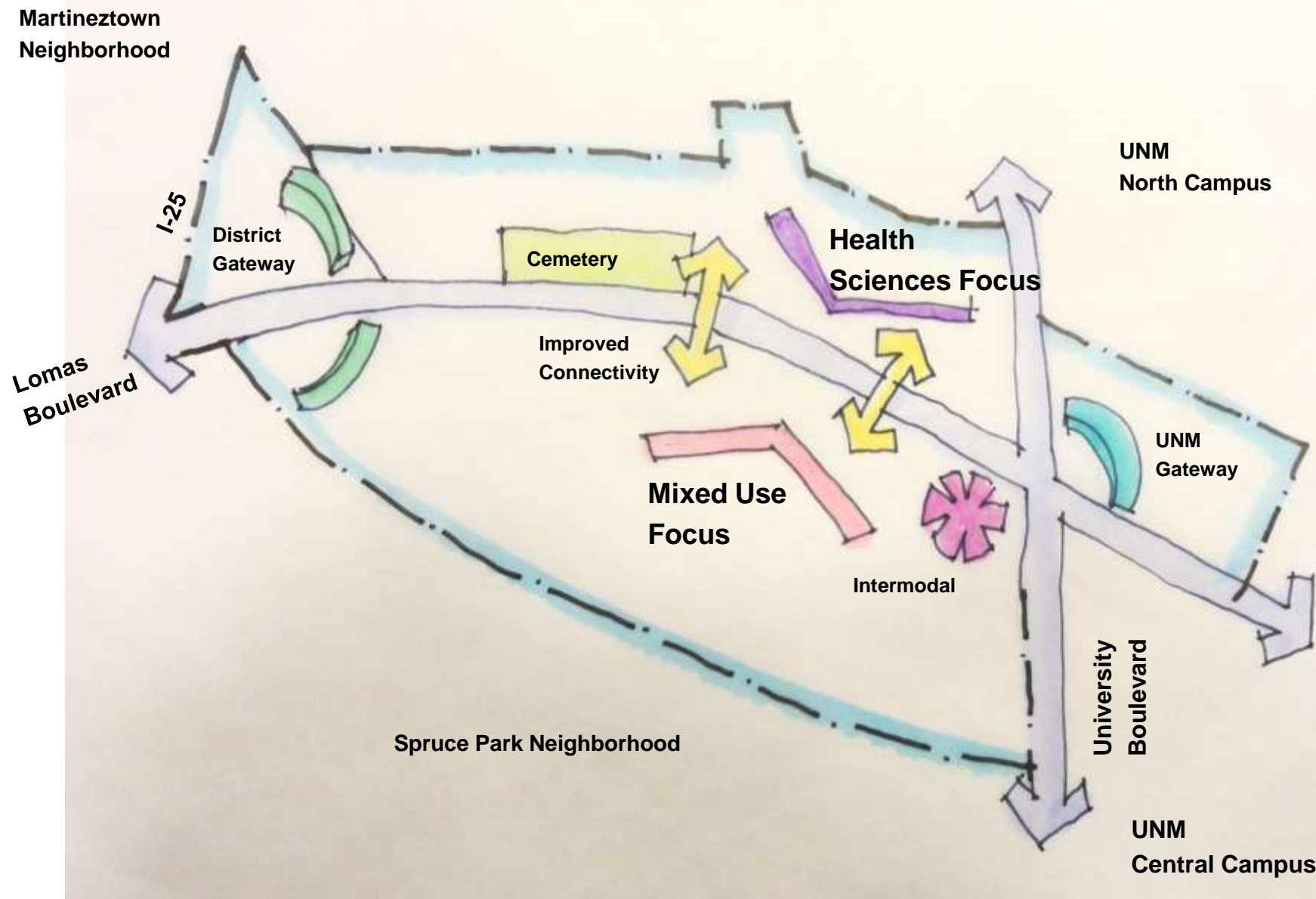
- While there is considerable variation, typical private sector time horizons run 10 – 30 years
- Public sector real estate projects will almost always be analyzed on a much longer time frame, 50 – 100 years.
- These two very different investment time horizons can result in very different choices regarding when, where, and how to create a real estate development project.
- The study area site comprised of landowners who represent both the private sector (Sandia Foundation) and the public sector (Lobo Development) present this dilemma.



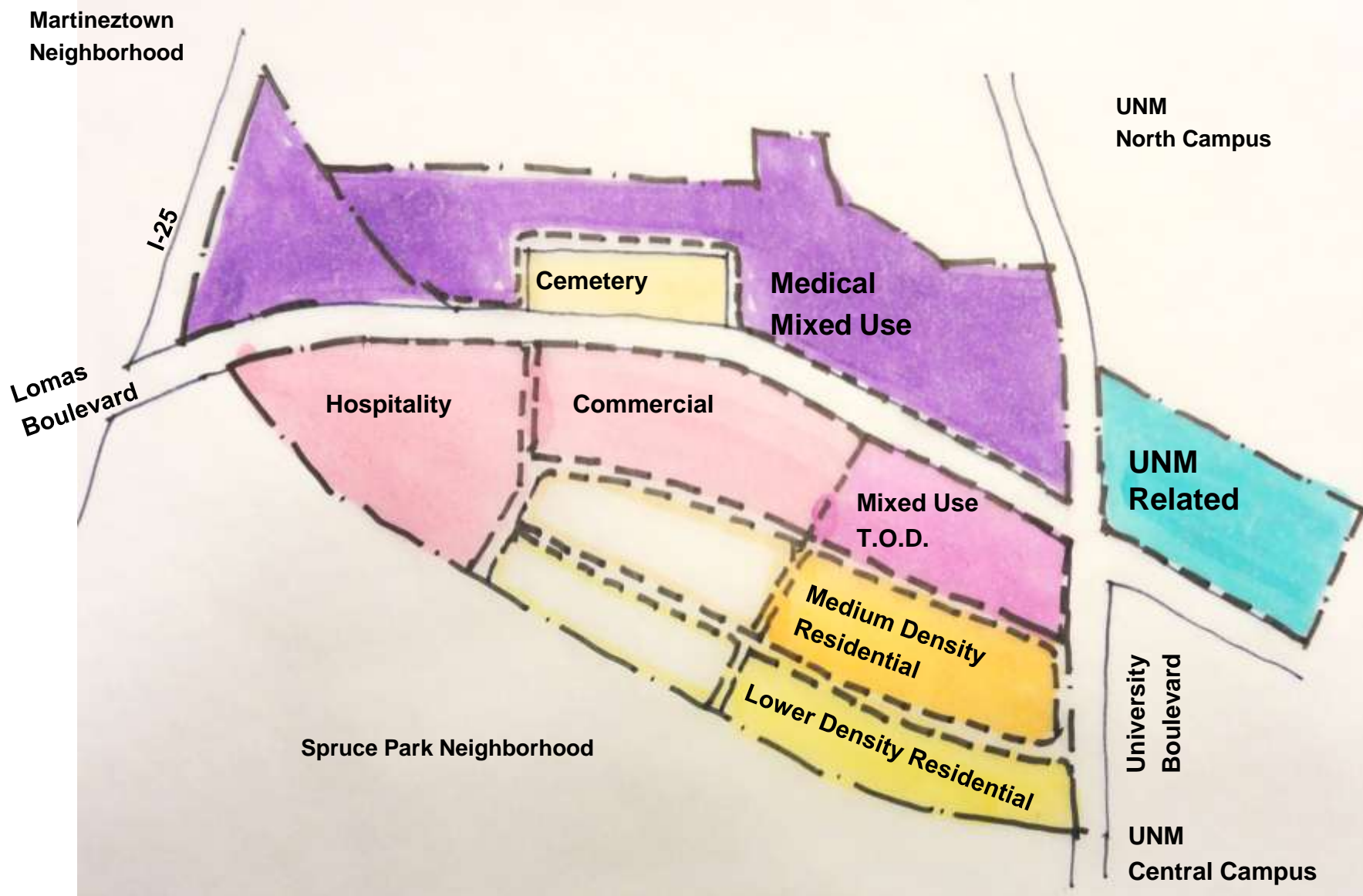




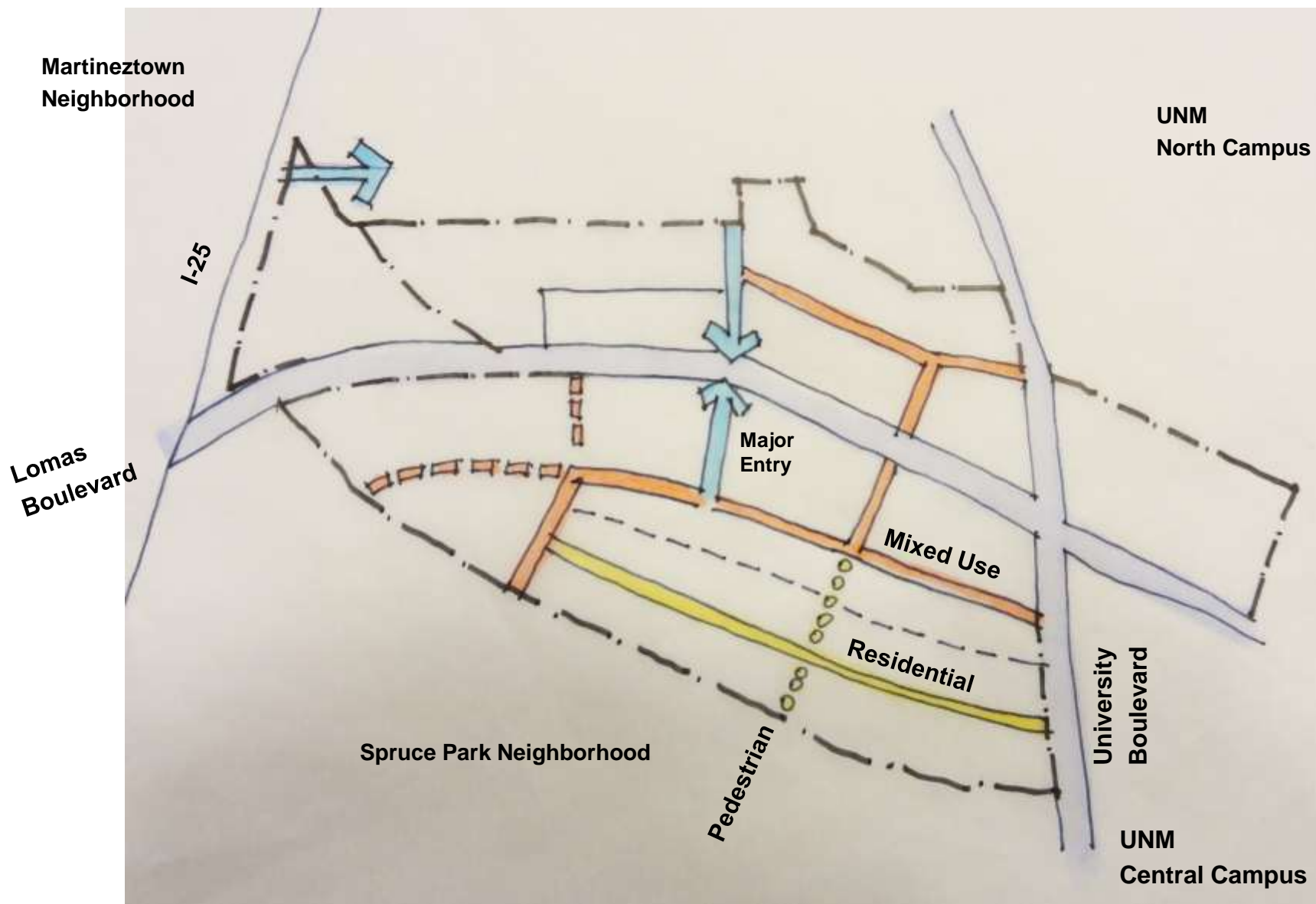




Site Concept



Potential Land Use



Connectivity

Martineztown
Neighborhood

Lomas
Boulevard

I-25

Cemetery

Potential Health Sciences Greenway

Bikeway

Pedestrian Improvements

Court-
yards

New &
Enhanced
Intersections

Spruce Park Neighborhood

University
Boulevard

UNM
North Campus

Diversion
Channel
Bikeway

UNM
Central Campus

Open Space, Bikes and Pedestrian Network



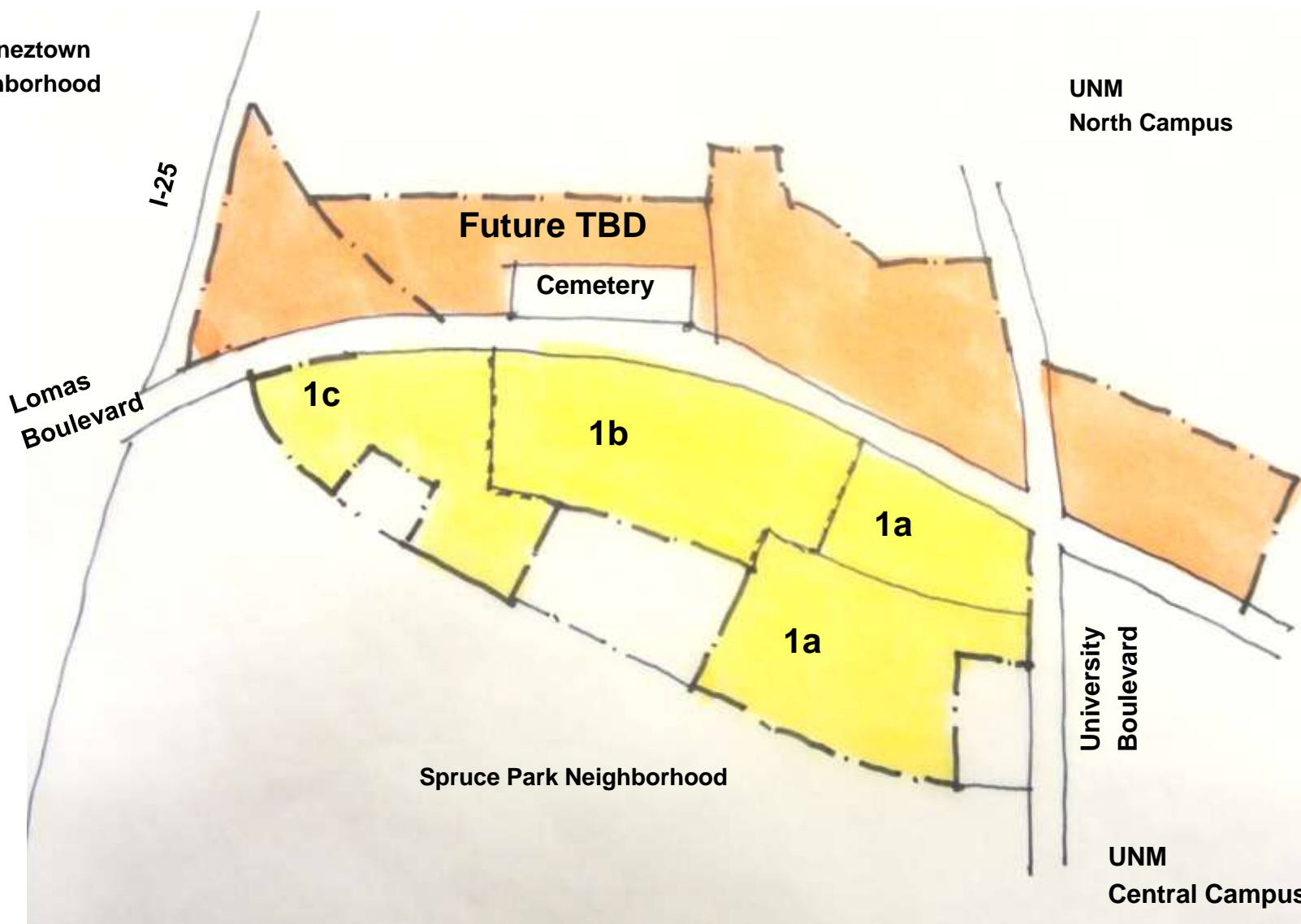
Enhance the perimeter
of the Cemetery



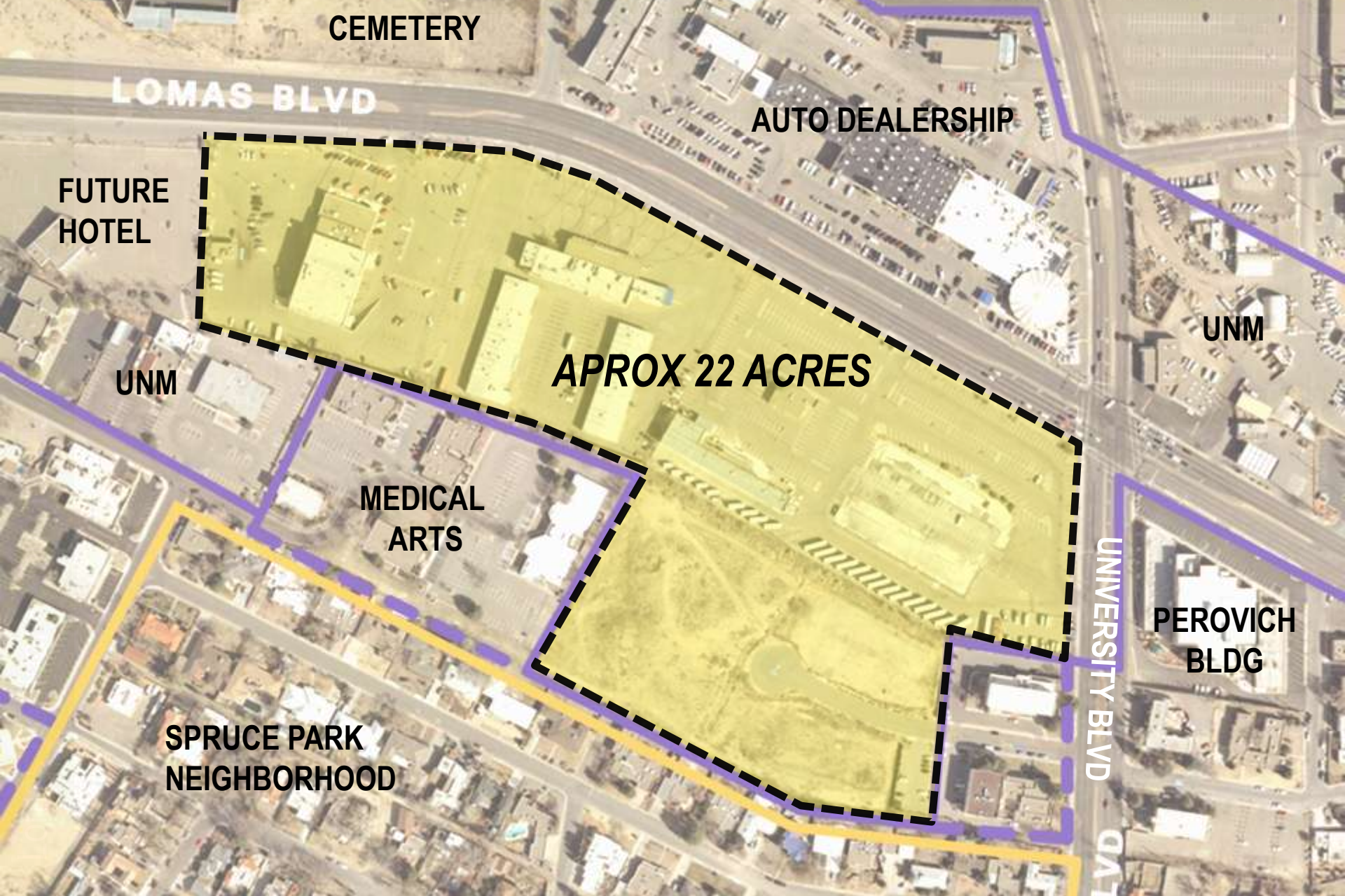
The Martineztown Cemetery

Martineztown
Neighborhood

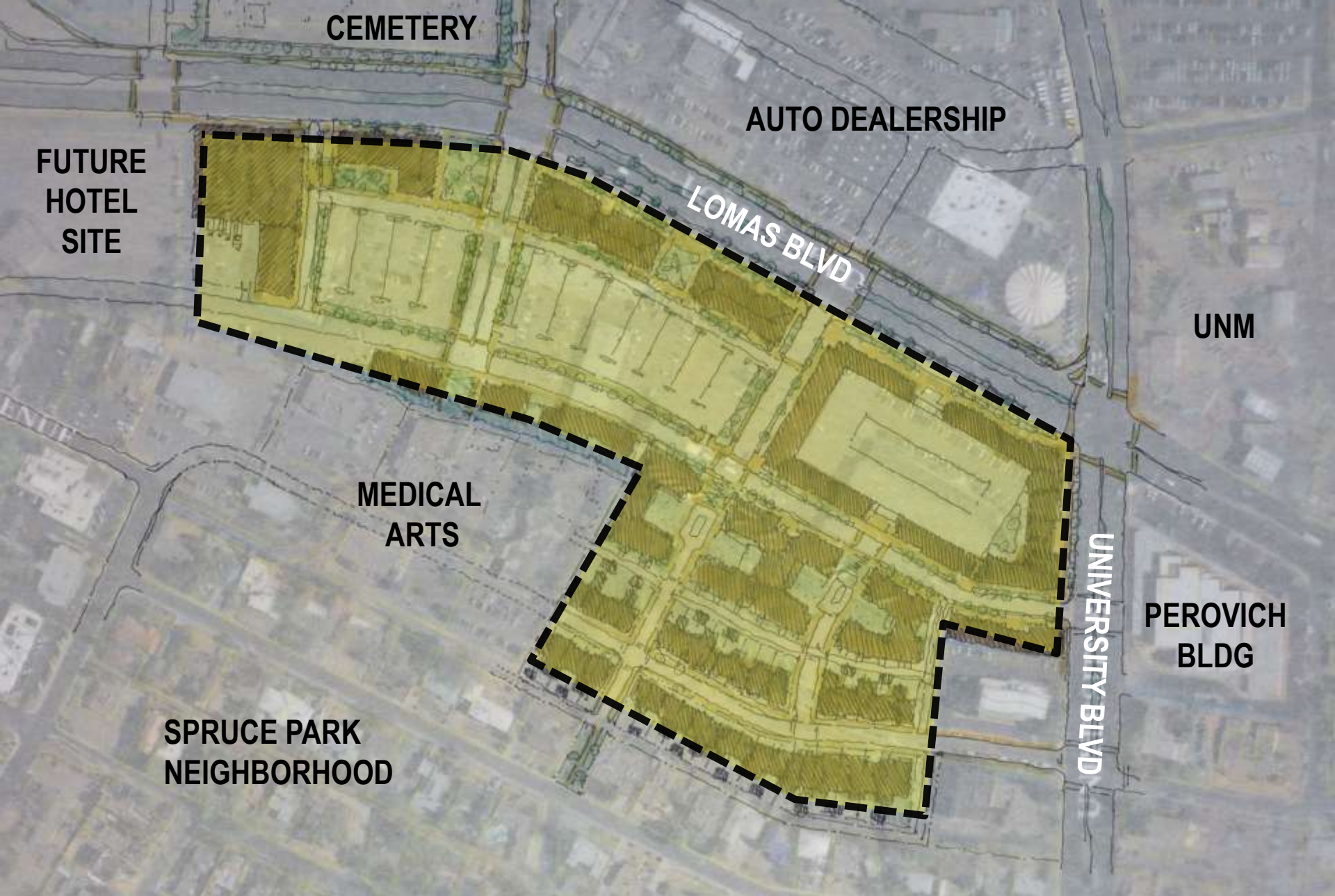
UNM
North Campus



Phasing



SITE AREA FOR PHASE I



CEMETERY

AUTO DEALERSHIP

**FUTURE
HOTEL
SITE**

LOMAS BLVD

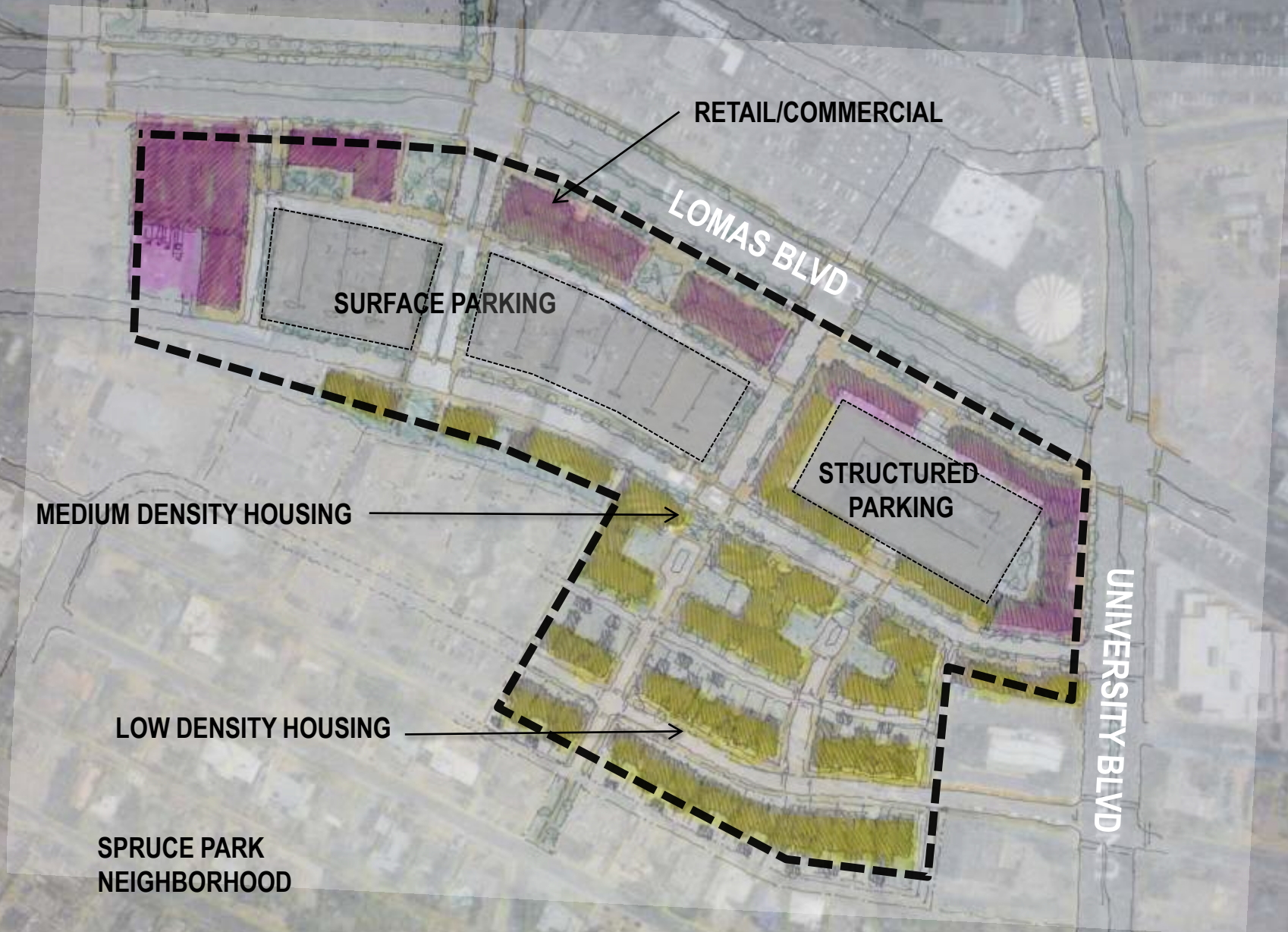
UNM

**MEDICAL
ARTS**

**PEROVICH
BLDG**

**SPRUCE PARK
NEIGHBORHOOD**

UNIVERSITY BLVD





RETAIL PRECEDENTS



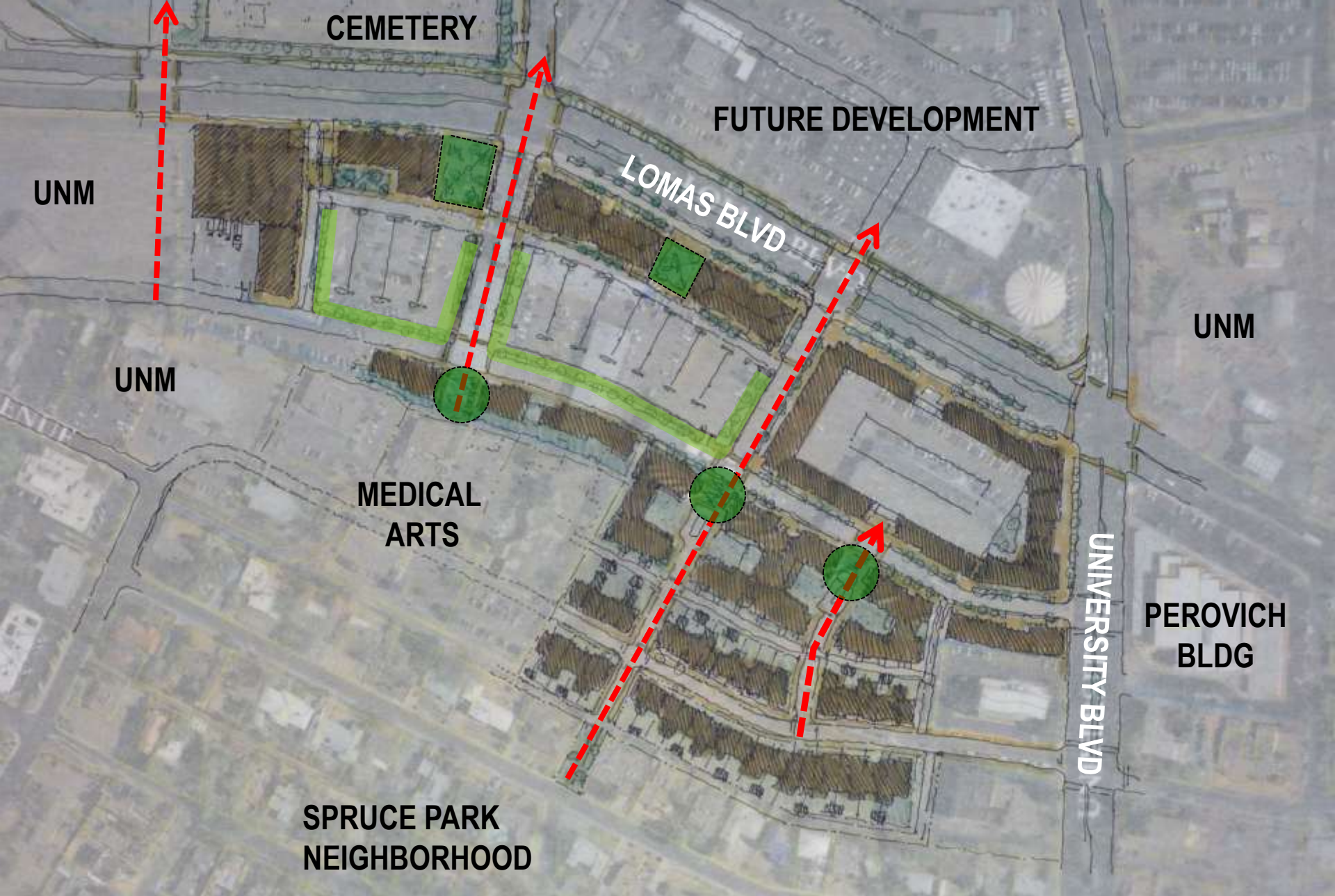
POTENTIAL HOUSING TYPOLOGIES



PEDESTRIAN CONNECTIONS ACROSS THE LOMAS CORRIDOR



Kenmore Square Boston



OPEN SPACE AMENITIES (PLAZAS, SQUARES)



SPRUCE
PARK

+5140FT

LOMAS BLVD

+5100FT

GRADE DROPS BY 40 FEET FROM SPRUCE PARK TO LOMAS BLVD



TAKING ADVANTAGE OF GRADE CHANGE THROUGH SITE

**SPRUCE
PARK**

VIEWS OF THE SANDIA RANGE



VIEWS OF THE SANDIA RANGE FROM SPRUCE PARK

SPRUCE
PARK

LOW DENSITY
(TOWNHOMES)

MEDIUM DENSITY
(STACKED FLATS)

MEDIUM DENSITY
(MIXED-USE)

MEDIUM DENSITY
(MEDICAL OFFICE)

SIGMA CHI RD

ALLEY

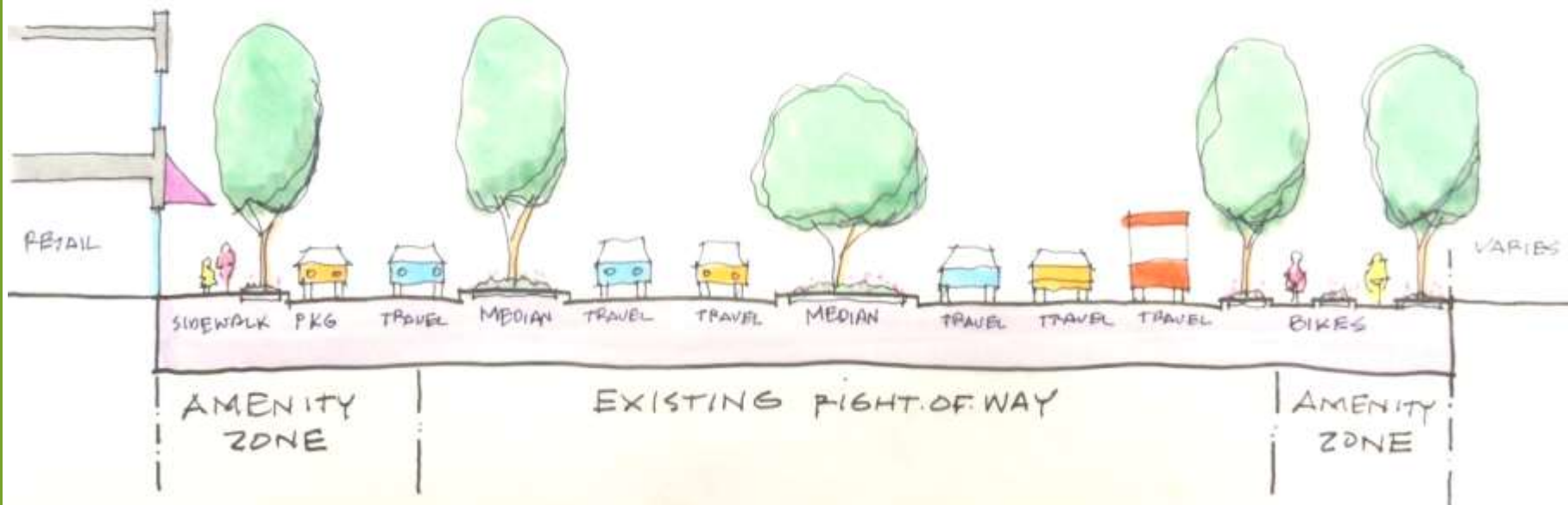
STREET

ALLEY

STREET

LOMAS BLVD

A NETWORK OF NEW STREETS



Barton Myers Plan, 1996



LOMAS AND UNIVERSITY

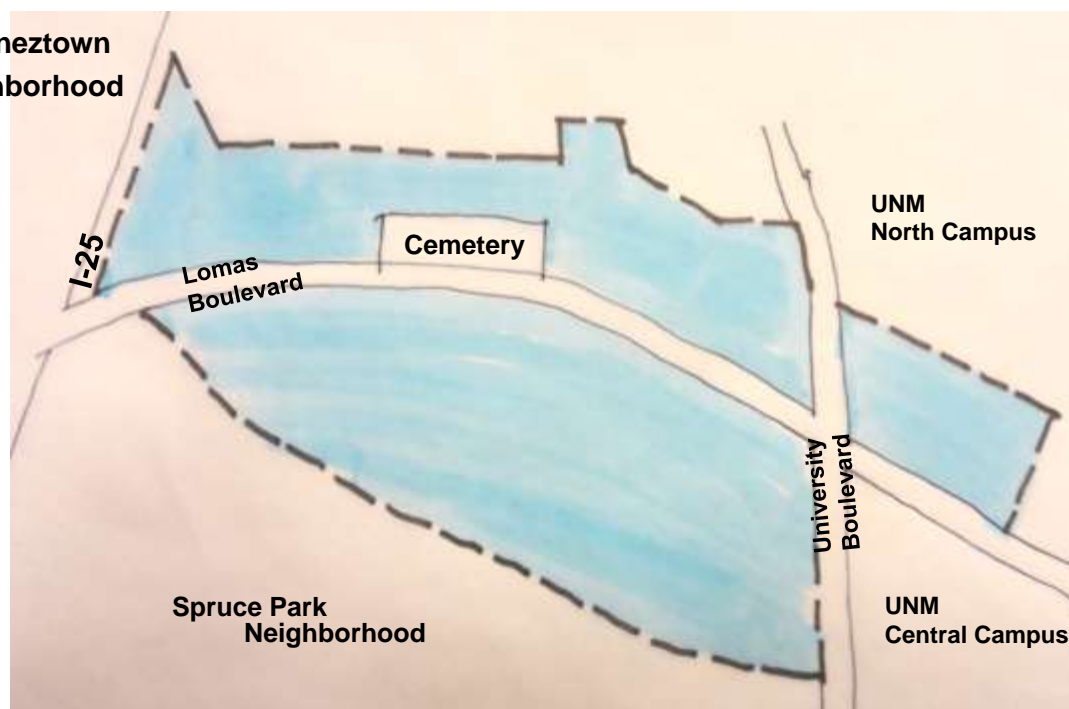


Organizing for Development

Planning for Development

- Development should create a landmark in the Albuquerque urban fabric
- Projects may move forward together or as a joint venture
- Lobo and Sandia should retain a single experienced development manager
- The following actions should take place with the involvement of both entities:
 - Masterplanning to establish land use patterns
 - Preparation of design guidelines for common elements to achieve design continuity
 - Prepare development regulations so that the implementation of decisions align with masterplan concepts

Martineztown
Neighborhood

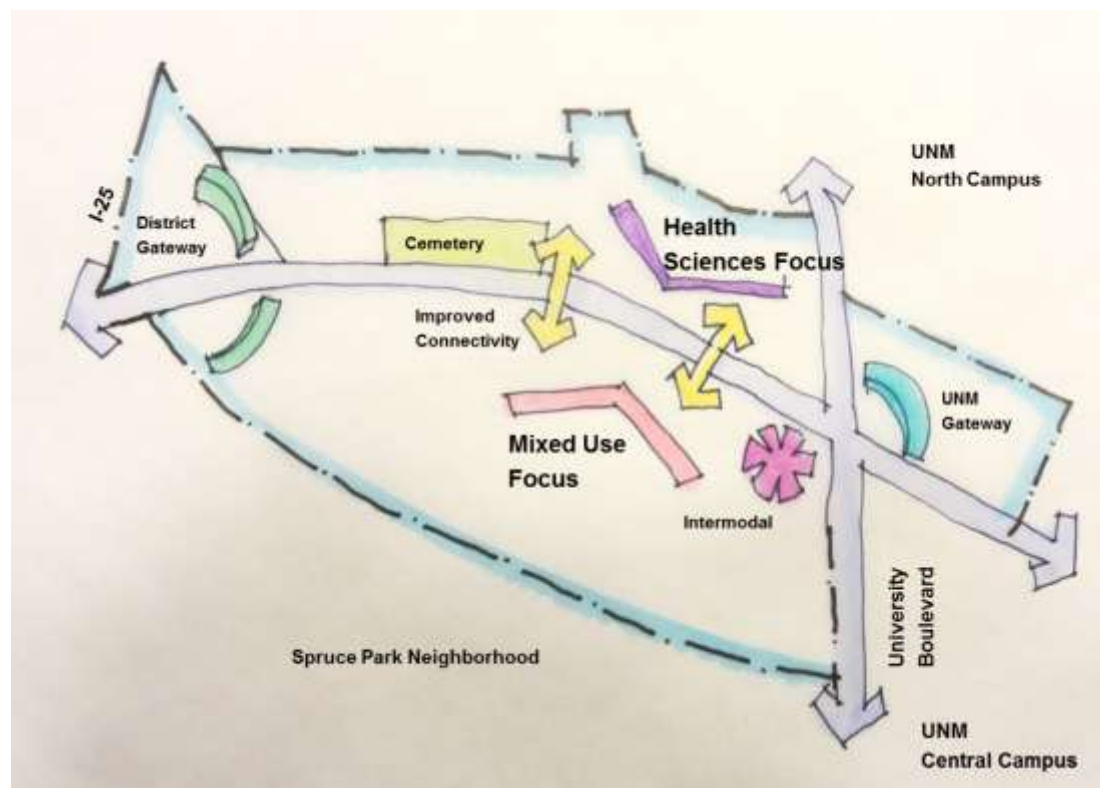


Consolidated development site

Organizing for Development

Master Planning – Preparation of Master Plan and Design Standards

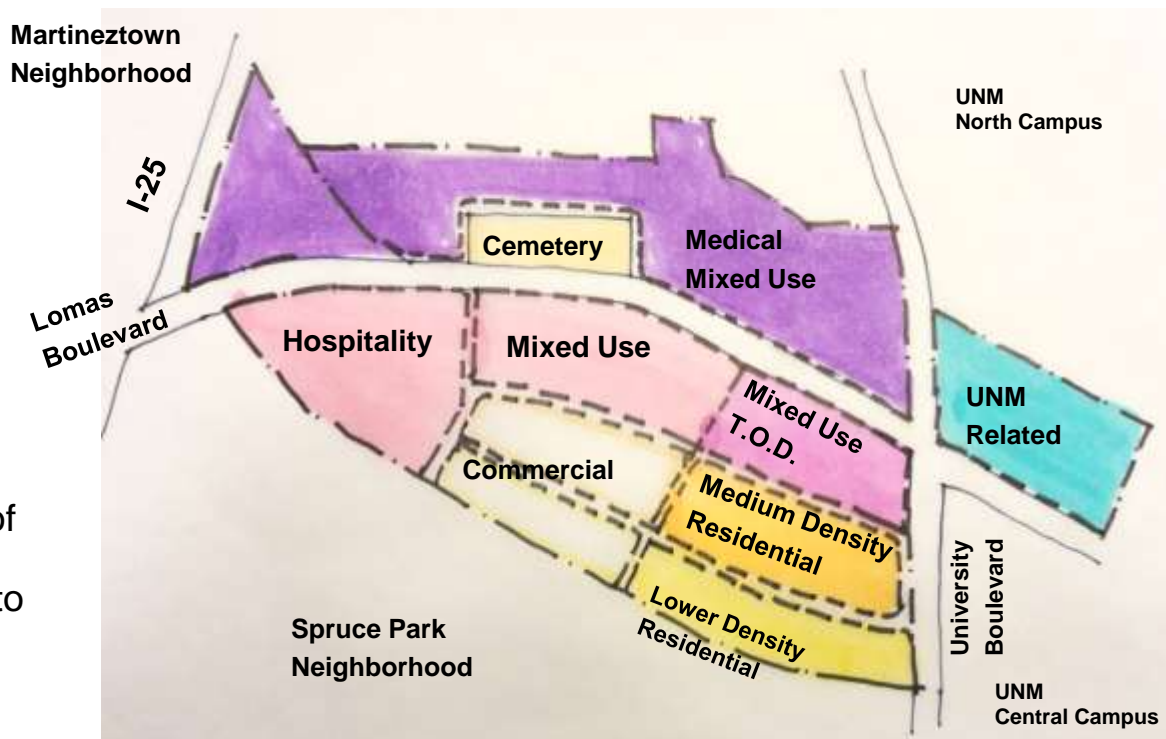
- Plan should include the following:
 - Definition of major circulation routes
 - Location and extent of major land use zones
 - Community involvement from neighborhoods such as Spruce Park and Martineztown.
- Design standards should include:
 - Setbacks and conceptual design for transition between development and the existing cemetery.
 - Typical sections through on-site roadways
 - Landscape sections along Lomas
 - Designs for appropriate gateway features



Organizing for Development

An Approvals Framework

- Sandia and Lobo differ in their regulatory requirements as relates to zoning and City project approval
- Masterplan and design guidelines should be prepared with interface with the city so that formal approvals may be received.
- City has a well-developed set of zoning and design standards which could be incorporated into the project master plan
- This process along with community development program will work to ensure the widest level of support for long-term plan



Organizing for Development

Land Use Controls

- Implement agreement between Sandia and Lobo to establish joint commitment to develop in accordance with design standards.
- Could also address topics such as competition between Sandia and Lobo over the allocation of certain land uses or development types.
- Might be much like covenants, conditions, and restrictions



Organizing for Development

Working with a Developer

- Panel recommends each party work with a developer to implement the project.
- Partnering could take a variety of forms
- Timing of partnering might overlap the latter stages of master planning activities.

The Panel recommends two concepts:

- Master developer assists with directing complex or multiple projects
- For an early stand-alone project, a project developer could be maintained.

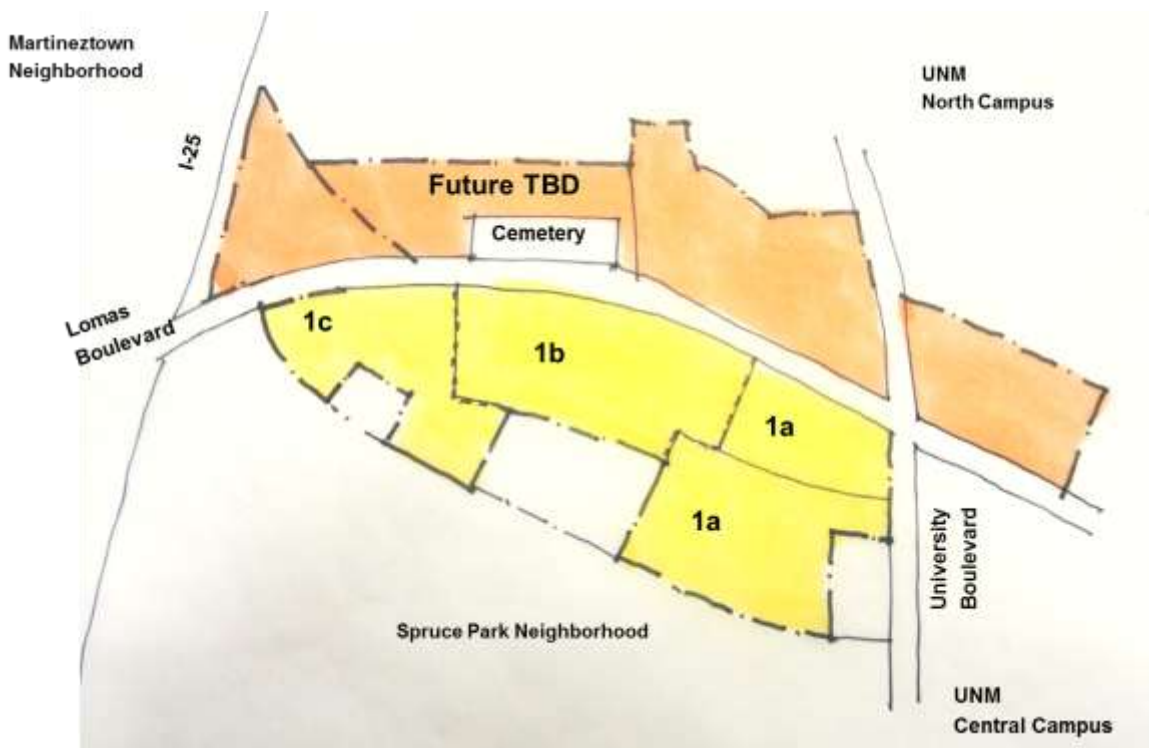


Organizing for Development

Working with a Master Developer

An owner would partner with an experienced master developer to oversee the improvement of all properties. This would be most appropriate when:

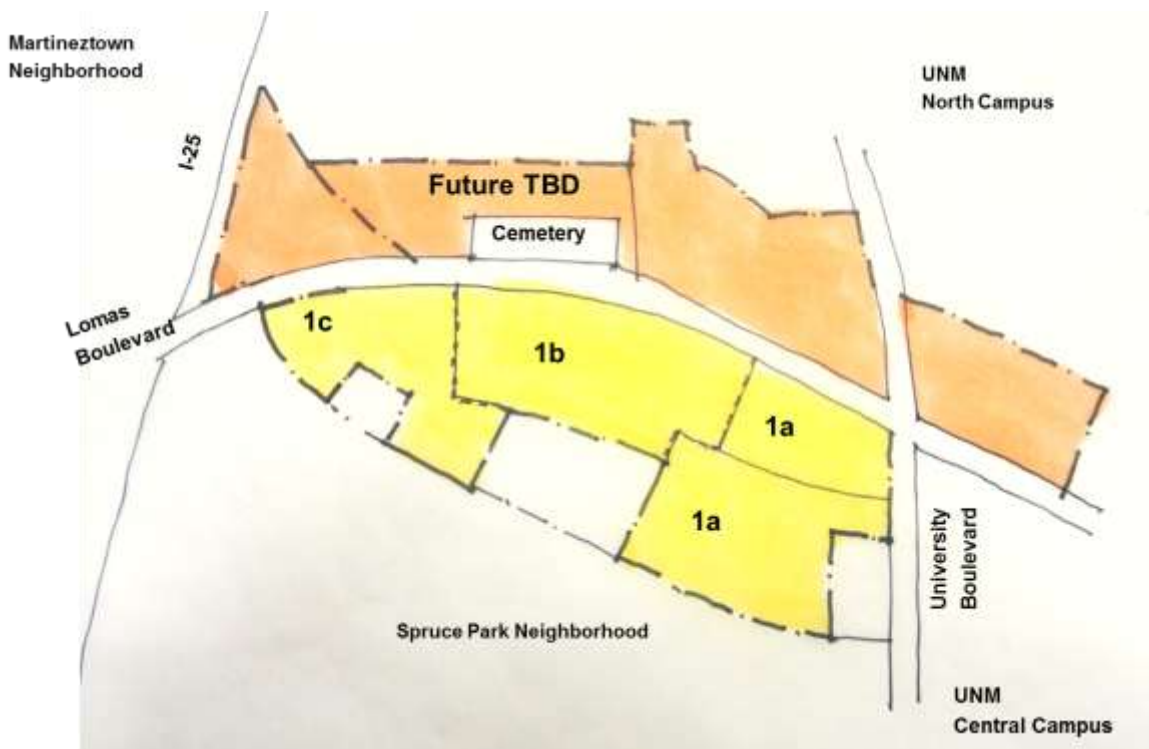
- Construction such as grading, roads, utilities, etc are needed to prepare the property for development
- Project is complex and needs one party with development experience to coordinate a variety of development types
- Anticipated pace of development is such that a variety of projects are expected to overlap or follow one after the other.



Organizing for Development

Working with a Project Developer

- If only a single project will be constructed in the near-term, either party could retain a developer on a project basis.
- If a single development is the only element to proceed and it is located on a site with defined access and no complex issues.
- Experience and track record of developer should be primary factor



Organizing for Development

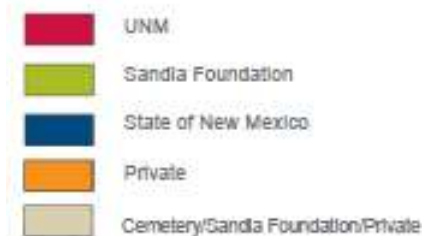
Public Finance

- If tax free bond financing can be used, financing cost will be reduced
- If Lobo provides bond financing, they should expect a greater share of income
- Financing retail with a shared parking structure will require a subsidy



Implementation

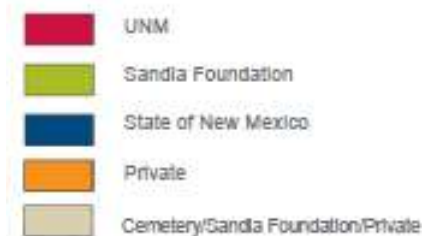
- Sponsors control almost all of the property in the study area with the exception of:
 - Cemetery
 - American Legion Post
 - State land adjacent to I-25
 - Service Station
- Assumptions for implementation:
 - Ownership entity will acquire the America Legion Post if and when it becomes available
 - State property north of Lomas is in the process of being transferred to the University
- Discussion broad development strategies:
 - Organization
 - Land use accumulation strategies
 - Implementation tasks



Implementation

Development Strategies

- Type of development organization is key
- How Sandia and Lobo engage in the process will have an important influence on successfully developing the site
- Three different potential strategies:
 - Public-Private Partnership
 - Sale of land by Sandia to capture value of current income stream
 - Land exchange between the two parties



Implementation

Development Strategies – Public-Private Partnership

Pros

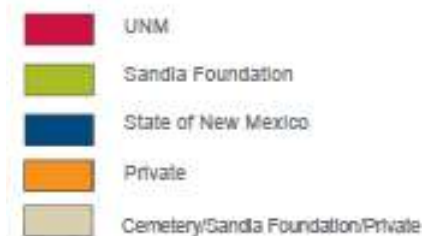
- Leverage success of previous mutual developments
- Balance investment risk between parties
- More nimble in responding to issues than separate development teams

Cons

- Require that ALL stakeholders agree with decisions made by the Public-Private Partnership complexities
- Communication and comparative involvement of parties
- Sponsors do not have perfectly aligned financial missions and goals, leading to differences of opinions on strategic decisions

Panel's recommendation:

Challenges outweigh the benefits



Implementation

Development Strategies – Land Sale

Pro

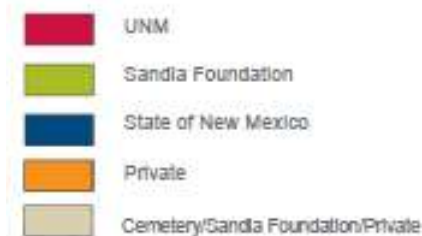
- Site's proximity to UNM's Central Campus and Health Sciences Center suggests it can and should have University ties and value.

Con

- Sale challenges Sandia's goals for active property investment

Panel's recommendation:

The benefits of Sandia selling its property to Lobo Development or a third party may not be sufficient.



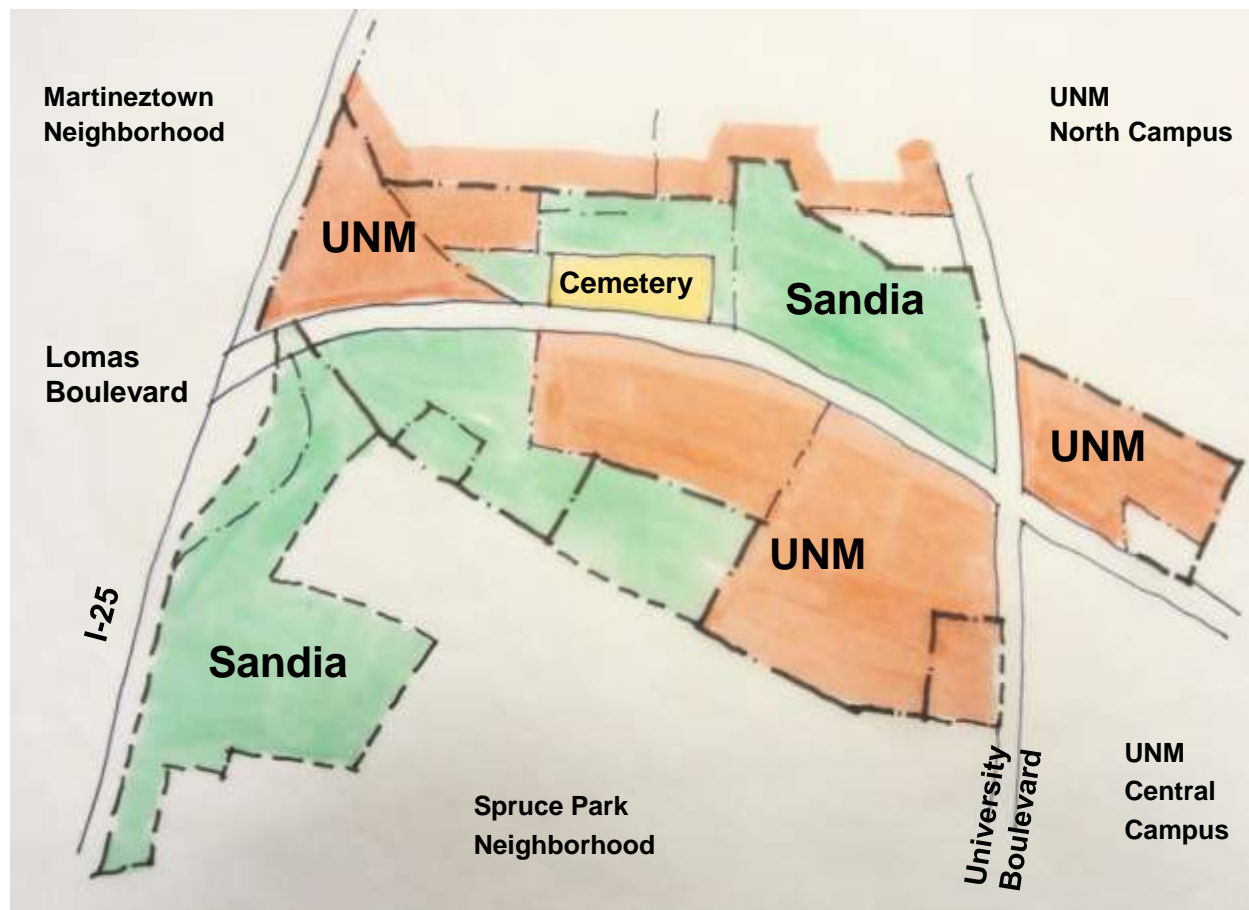
Implementation

Development Strategies – Land Exchange

Panel's Recommendation:

The Sandia Foundation and Lobo Development should proceed with a land exchange.

- Contiguous parcels for development
- A simple land exchange may not be fully equitable

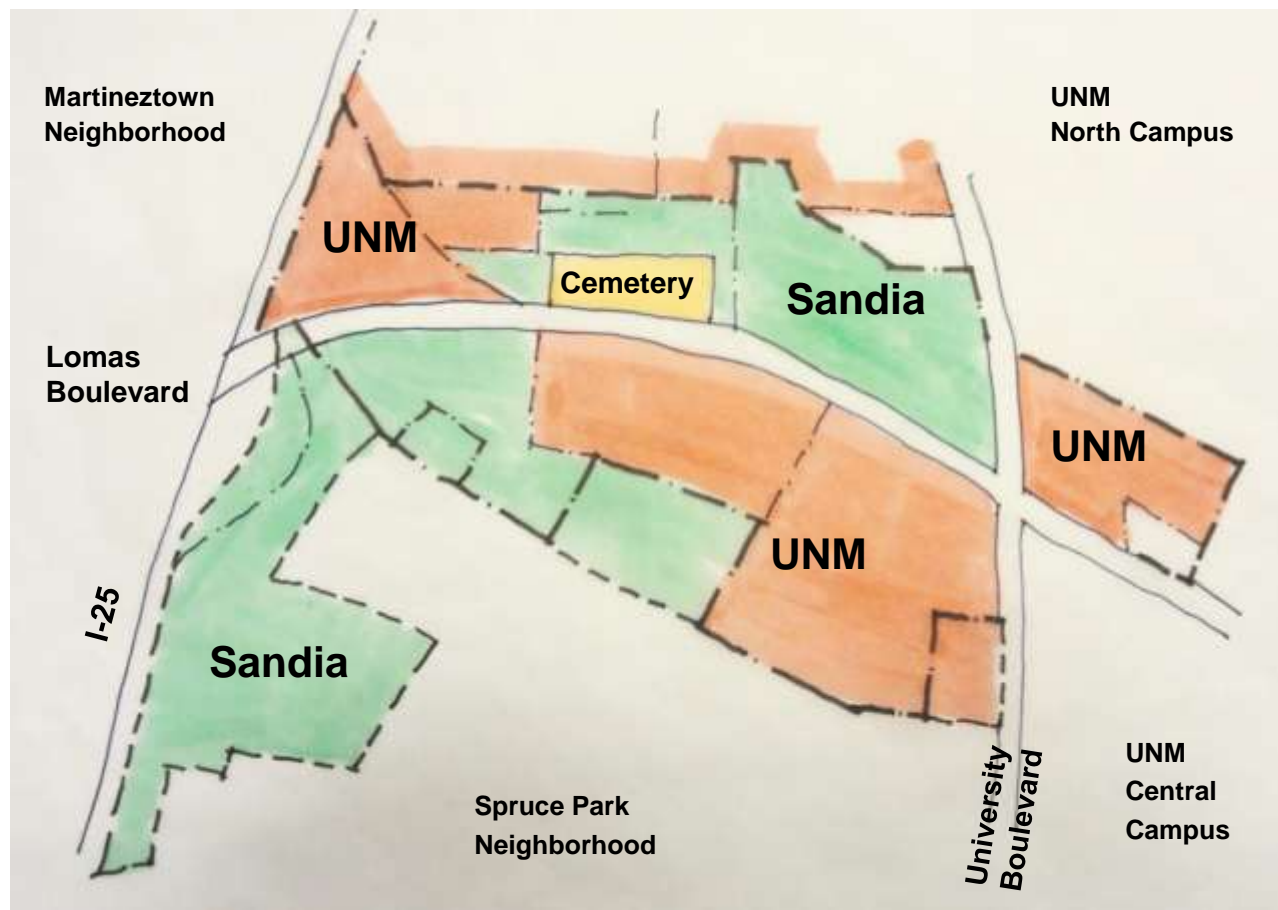


Implementation

Development Strategies – Land Exchange

South side of Lomas Boulevard

- Sandia exchanges their two larger parcels with Lobo Development's three most westerly parcels
- Sandia purchases the State property on the west side
- Sandia controls west property to hospitality site
- Lobo controls from intersection west

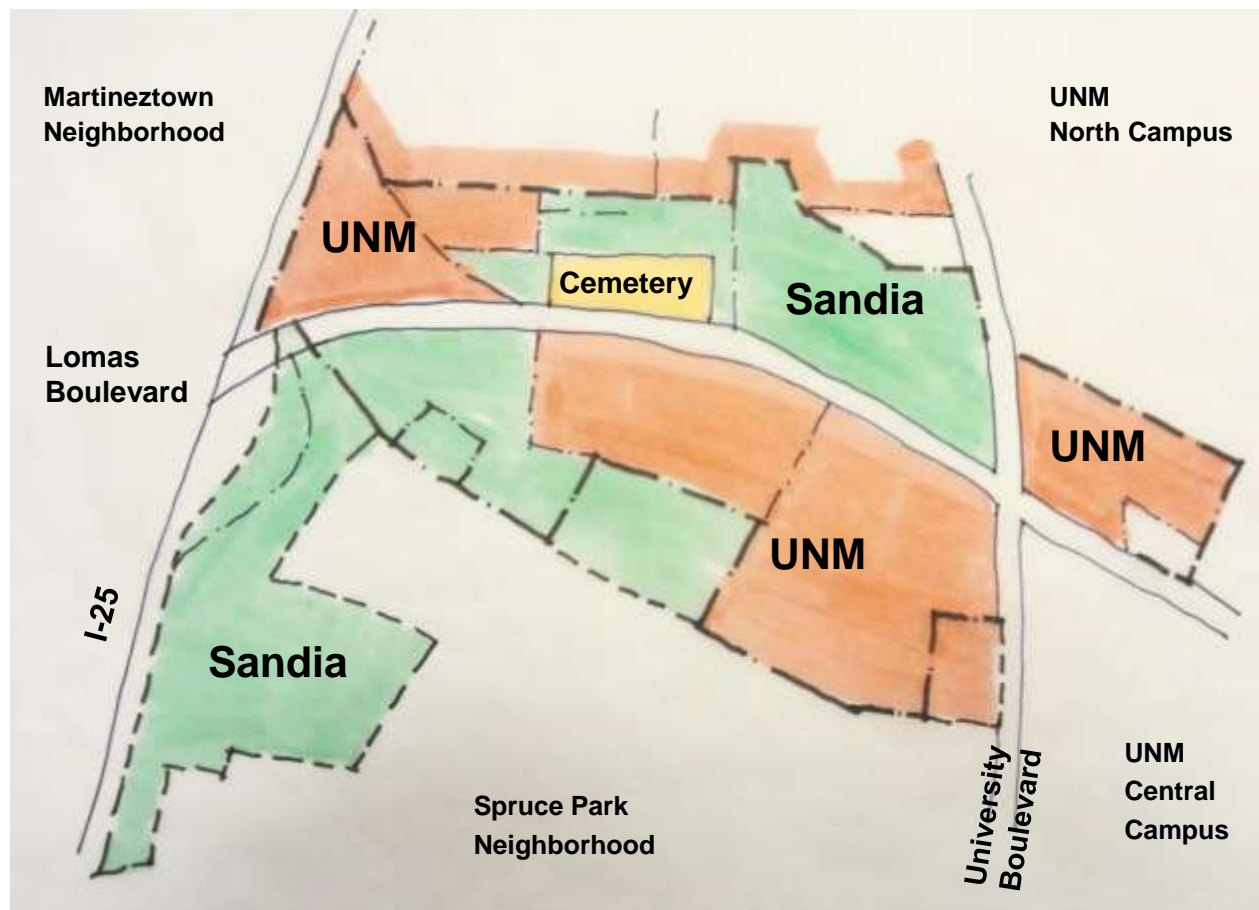


Implementation

Development Strategies – Land Exchange

North East side of Lomas Boulevard

- Property at the NE corner of Lomas and University should remain with Lobo due to its location near other University uses

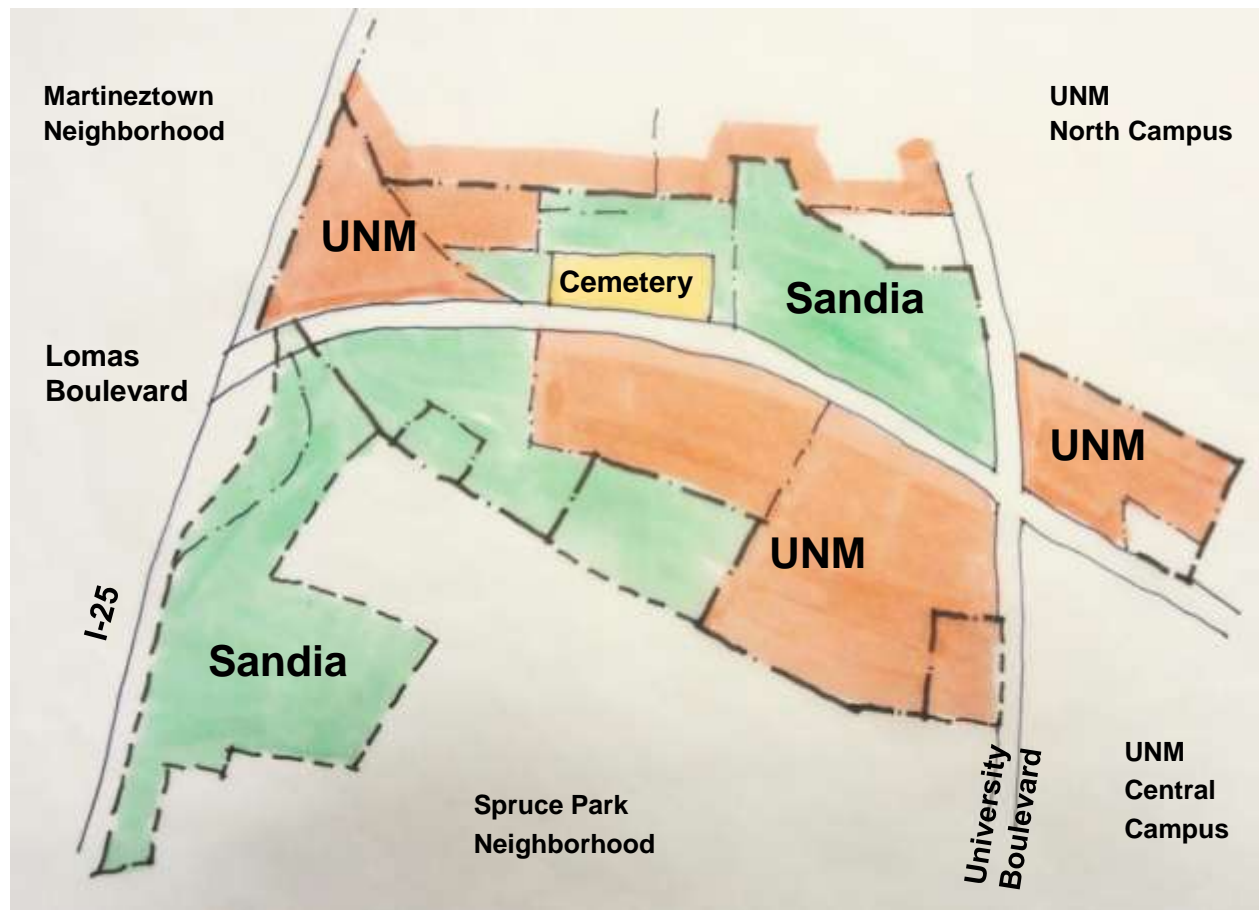


Implementation

Development Strategies – Land Exchange

North Side of Lomas and West of University Boulevard

- Parcel ownership remains in current arrangement
- UNM purchases American Legion site if and when it becomes available.



Implementation

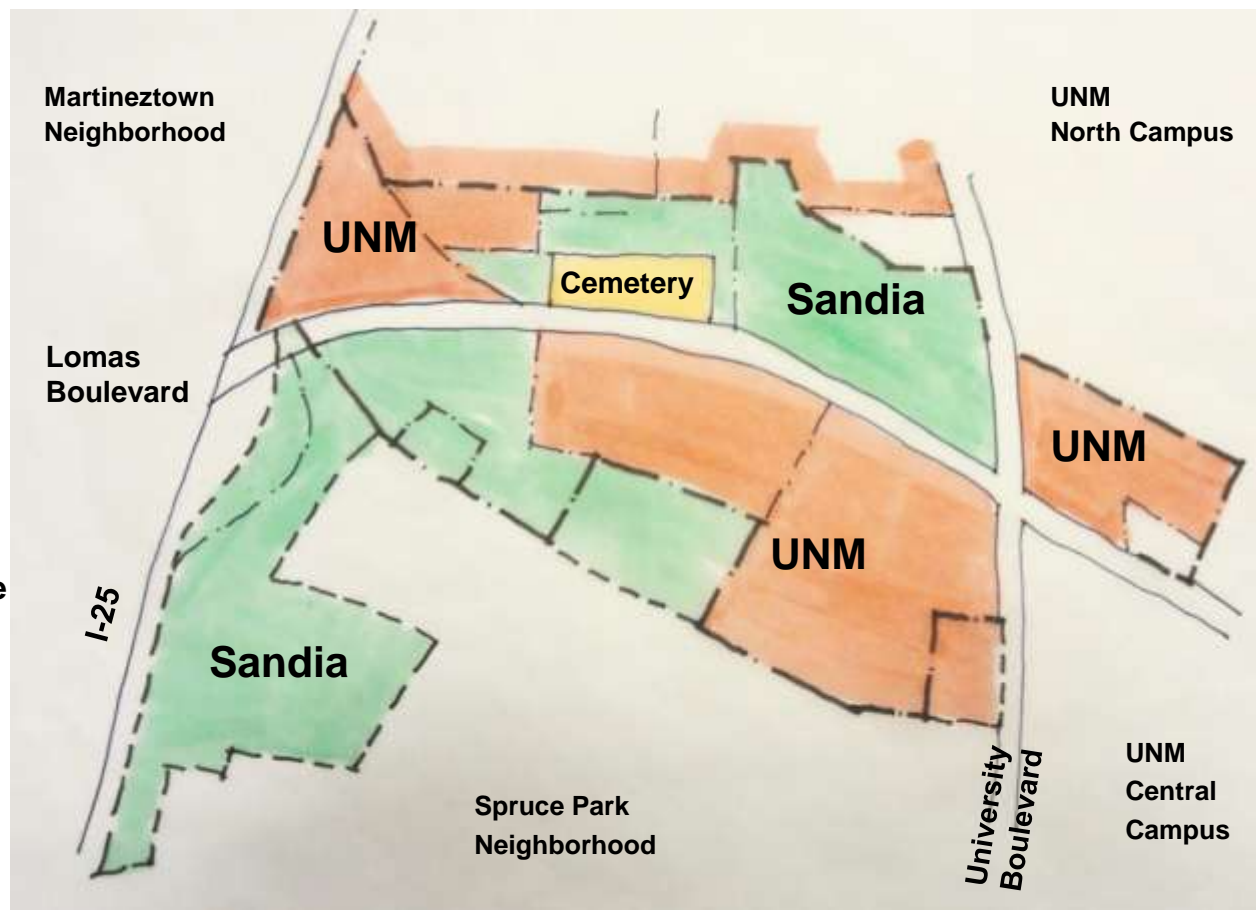
Development Strategies – Land Exchange

Benefits of North Lomas Site

- Synergistic opportunities for pedestrian and vehicular connections to the large Health Sciences employment base increase the property's value
- Density issues less controversial than South Lomas Site.
- Opportunity for major building facades and open space to face south

Challenges – Not Insurmountable

- Variety of lease expiration dates require a long-term strategy for development, consistent with the Sandia Foundation's mission
- Cemetery location mitigated by proposed location of a new Health Sciences Center entrance from Lomas Boulevard North.

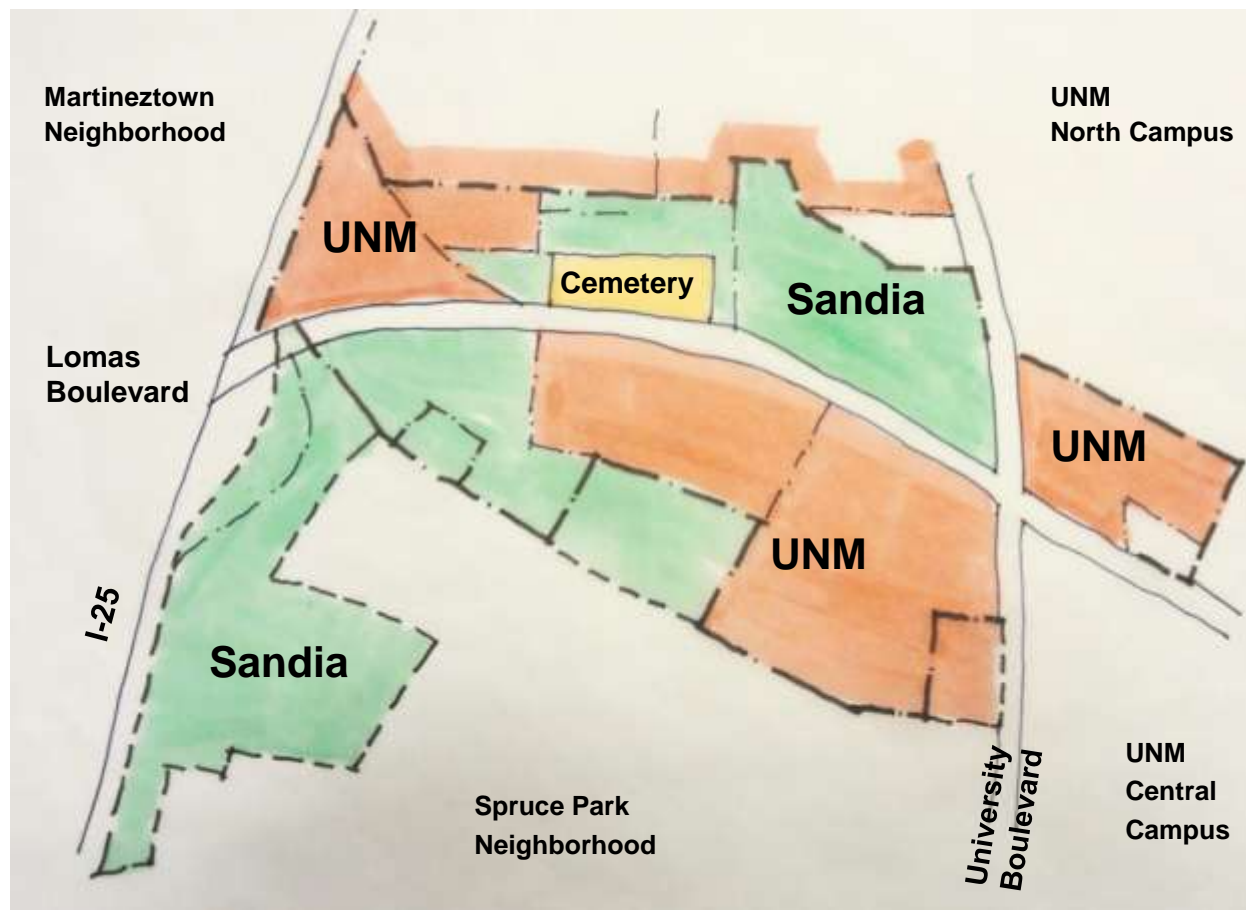


Implementation

Development Strategies – Land Exchange

South Lomas Site – Benefits

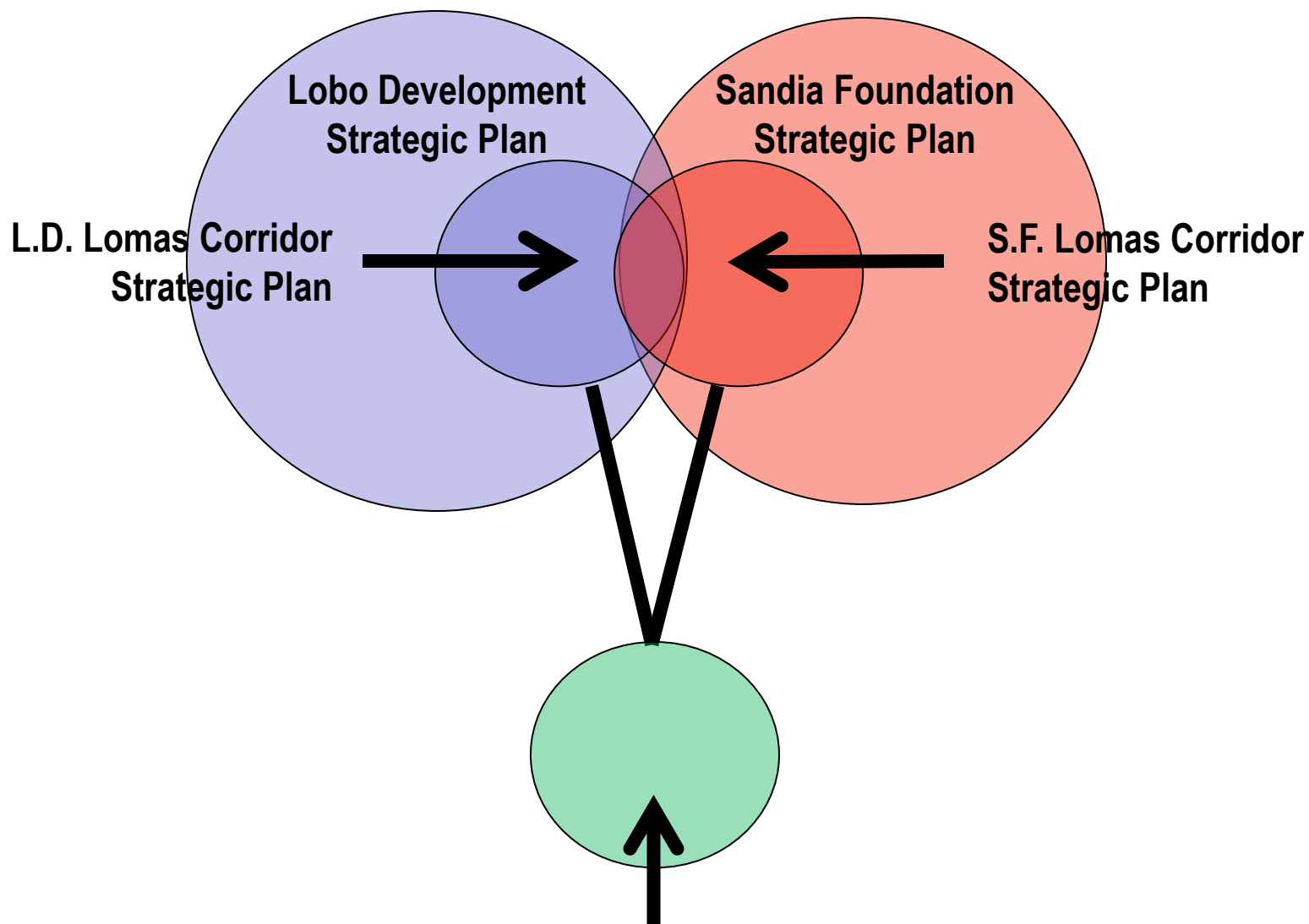
- Parcel at SE corner that would be in Sandia control excellent site for hotel adjacent to existing Embassy Suites
- Allowing Lobo to consolidate a large parcel along Lomas will create opportunity for a significant project that addresses University needs
 - Mix of uses such as housing with commercial uses that provide students and visitors with goods and services
 - Consistent with Lobo mission
- Anchoring site with parking structure
 - Shared parking
 - Vertical mixed use
 - Efficient use of land
 - sustainable



Implementation

Development Strategies – Land Exchange

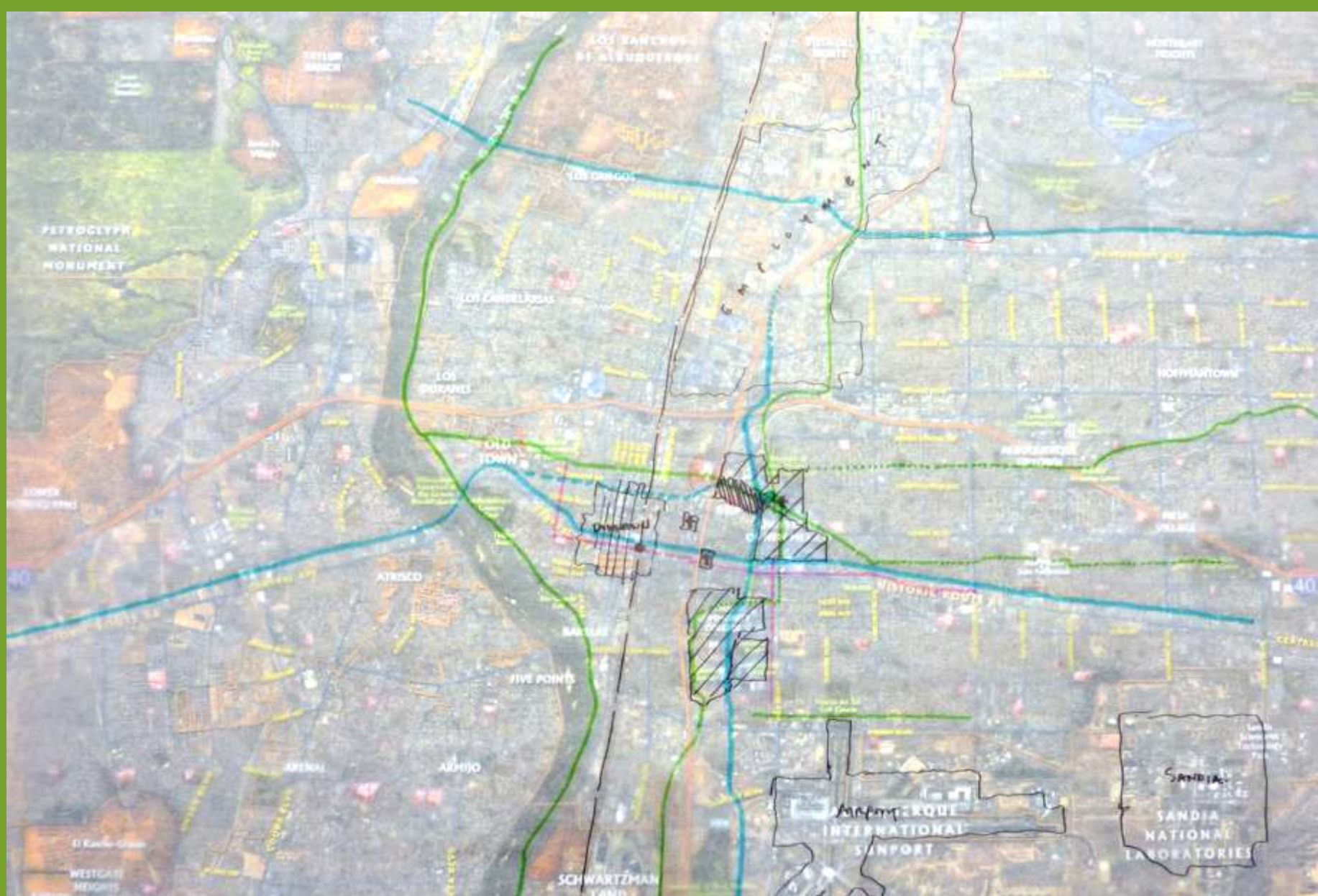
Creating large contiguous parcels, developing each by separate ownership teams based upon a mutually agreed upon Lomas Corridor Strategic Plan to create value, allow both Lobo Development and the Sandia Foundation to meet their individual missions while ensuring comprehensive solutions and efficient use resources.



Mutually Agreed Upon Corridor Strategic Plan

Summary of Key Recommendations

- Lobo and Sandia should independently establish clear investment criteria and strategic plans for their individual real estate investment strategies.
- Establish a business and master plan for the area that addresses strategic plan of Sandia and Lobo/UNM.
- Develop honest and consistent communication standards and delivery systems with all stakeholders.
- Engage a master developer(s) after developing a mutually acceptable business plan.
- Develop and agree to development standards and jurisdictional control authorities
- .
- Actively participate in upcoming community wide transportation studies and plans.
- Pursue efficiencies in the different existing transportation modes and delivery systems including enhanced intermodal nodes and mechanisms.
- **ENJOY YOUR FANTASTIC COMMUNITY AND CONTINUE ITS HISTORIC SUCCESS!**



Questions?