

ECONOMIC DEVELOPMENT

Local Trends

The Bureau of Business and Economic Research (BBER) and the City of Albuquerque have put together Urban Growth Projections for Albuquerque and Vicinity for 1999-2010. These projections include information on population, employment, and housing in the Southwest Area Plan.

In the BBER study, the Albuquerque/Bernalillo County area population is projected to grow eleven percent between 1999 and 2010. Most of this projected growth will occur on the west side of the river because of land availability and affordability. Employment growth also is assumed to exceed national rates in that 10-year period. Recent trends have seen that housing development has fluctuated with the ups and downs of the economy due to interest rates and the need for new housing connected with new businesses moving into the area.

Most of the jobs in the metropolitan area are in the service and government sectors and are concentrated east of the Rio Grande. This is reflected in the area within the Southwest Area Plan, where the employment base is small with a concentration of service and government jobs and a dispersed pattern of manufacturing jobs. The area south of Coors, between Rio Bravo and Isleta Pueblo, has maintained a semi rural character with small farms and scattered subdivisions. The South Valley has a higher level of agricultural activity than most other areas of the city. The increase in farming employment by 2005, however, is projected to be very small. In this area, the rising land values puts pressure on farmers to sell their land to residential and commercial developers.

Although, employment is concentrated mostly east of the river, an increasing percentage of new housing is projected for west of the river, mainly due to the availability of inexpensive land in this area. The area between Coors and 98th Street has seen the most growth and is projected to continue.

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Economic Development Within the Southwest Plan Area

Residents of the Southwest area have expressed a desire to maintain the rural character of the area while ensuring an economic base for the community to allow its residents to reside close to employment centers. In addition, residents are also concerned about the viability of various levels of agricultural production. They express a desire for jobs, livable wages, and employment opportunities.

Along the Second Street corridor, residents are concerned about groundwater contamination and the destruction of the residential climate. New economic activity in this area should be programmed so it does not add to the contamination in this area. It also should maintain agricultural and residential use in the area between the Barr Canal and ensure Valley residents the benefits created by employment in this area.

Residents expressed a desire to see the small business sector preserved and strengthened. Others expressed a desire for large retail commercial outlets. The proper location of these sites is critical so as not to interfere with the integrity and character of the area and to provide an optimum location from a land use perspective. Currently, residents must purchase the majority of their consumer goods outside the area. This results in inconvenience to consumers and loss of economic opportunities within the area. Residents expressed a concern that new development on the far western edge of the area may compromise existing natural conditions, drain water resources from the valley, and cause run off and drainage problems. Given the geological conditions in this section of the Plan area, development should be guided so that those issues are integrated into the future development of the area. Environmental issues, such as ensuring a sustainable water supply and minimizing erosion are important to the long-term viability of development. Residents consider the area to be rich in history and this is an important cultural and economic asset that should be preserved.

The Southwest Area Plan addresses issues of how to strengthen the area's economy by building on, and preserving its strengths and resources. The community seeks to meet the retail and employment needs of residents while plugging the economic leaks. Measures to preserve and promote the historic and cultural features of the area while adding economic vitality are essential to the future of the South Valley. Sustainable economic development, which benefits local residents by providing employment opportunities and protective measures for the environment, are key to this process.

Sustainable Community Development

Job growth in sustainable communities while protecting the environment and building a strong economy have been viewed as mutually exclusive endeavors. This stems from the perception that environmental regulations are a hindrance to a small or large businesses' ability to compete in the local or national economy because they drive up the cost of doing business. Increasingly, though, many economic development professionals have reported that the communities with the strongest long term economic growth are those who pursue sustainable development that balances the resource needs of the present generation without jeopardizing the ability of future generations to live and prosper. It has also become clear that a healthy environment can improve the quality of life in a community and region, and healthy communities are attractive places to do business.

Incentives

Enterprise zones are one strategy to reverse urban decline by removing disincentives to the private redevelopment of economically depressed or underdeveloped areas. Depending on the particular enterprise zone program, businesses locating in designated enterprise zones are eligible to receive tax benefits, favorable zoning changes or other incentives to make them economically viable.

Also, small business and public sector incubators are important tools for programming light manufacturing industries, often times allowing for their location in vacant industrial facilities. In this way, business incubators are used to develop new firms at lower start up costs in areas where older industry was once located.