



66Architect, LLC

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August 10, 2020

RE: LUCC Certificate of Appropriateness – De Anza Beer Garden - 4303 Central Ave. NE

ATTN: Board of Landmarks and Urban Conservation Commission

Please accept our submittal for Certificate Appropriateness on behalf of the project owner, Jim Trump. The proposed project is an outdoor, family and pet-friendly, neighborhood game venue serving beer/wine and food. The subject site is a .55acre vacant lot in the Historic De Anza Motor Lodge site, fronting Central Ave. With the development of the De Anza site made into luxury residential units, the vacant lot was slated to become a future restaurant. With the unfortunate onset of Covid-19, the economic risk and feasibility of a restaurant has put previous plans on hold for the coming few years. Rather than leave the vacant (restaurant) lot empty indefinitely, the owner/developer wishes to activate the site, engage the community and surrounding neighborhoods, and enhance the streetscape and pedestrian experience along Central Ave. (See attached proposal and business plan). This project is a temporary opportunity, focused on the local community and neighborhood. It will provide entertainment, games, food & drink and ultimately security to the surrounding businesses and residences. The site is located directly across from a Albuquerque ART transit station and has ample vehicle, pedestrian and bicycle access from Central Ave. and Washington St. Parking will be provided along Graceland Dr., as well as new parking spaces directly on the subject lot and shared parking on the De Anza site.

The design of the 'beer garden' will be complementary to both the new De Anza residential units and the renovated historic structures onsite. We propose using (4) 8'x20' mobile container units (shipping containers) for food service, beer and wine service, public restrooms and storage. These units will be painted in rich tones that match the accent colors of the residential units as well as southwest colors (turquoise, coral, etc) to match the historic buildings and details. Although the containers are industrial in nature, we wish to paint and detail them in a way that is vibrant, inviting, and fun. We would like to add neon accents and signage to the containers to

compliment the Central Ave. (Route 66) motif. Surrounding the containers will be a raised, engineered wood deck with outdoor seating, raised planter beds, and ping-pong tables. Food and drink service will be at pick-up windows only (no indoor seating) and mens and womens restrooms will be provided for patrons, adjacent the patio. Above the patio we propose large, colorful sunshade sails, fastened to the containers and poles around the patio. The sails will be large enough to cover and shade the entire patio and protect outdoor seating and games from the weather and elements. The patio and food/drink service containers will be situated on the north end of the lot, near existing utility stubs, and creating an open space buffer between the patio and street. This will provide security and limit noise from Central Ave. It will also help setback and visually blend the containers with the new residential units at the back of the site. The open space between the patio and street will be adorned with native landscaping, trees, string lighting, outdoor seating, and games like cornhole or bocce'. Within the open space will be a separate children's play area, close to the patio, with games and small play structures. At the south end of the open space, near Central Ave., will be a fenced dog park with replaceable ground cover and a waste collection station. The entire patio and open space will be surrounded by a 6' tall, metal bar fence to match the fence of the De Anza residential units. The fence will enclose the entire beer garden with secured access and entry only at the northeast corner of the site, near parking. New sidewalks will be constructed to connect to existing pedestrian paths along Central, and additional street parking along Graceland Dr. to the west. We will create a 10' landscape buffer between Central Ave. and the south edge (fence), with native, xeriscape vegetation to help reduce traffic noise and visually separate the project from the street.

We believe this project is an excellent solution to the uncertain circumstances surrounding the pandemic. Of course, all state/municipal requirements for social distancing, occupancy and protective wear will be considered and adhered to in our design and planning. Longer term we hope to create a very needed local destination for food/drink and family entertainment. From the standpoint of the historic Central Ave corridor, we hope it will activate and enhance the look, feel and security of the area. We have gained preliminary support of local neighborhood associations and hope to work closely with the community and Lucc staff to create a project everyone can look forward to and benefit from. Thank you very much for your time and consideration.

Sincerely,

Clint Wilsey and Jim Trump

De Anza Beer Garden

A Proposal to Activate the De Anza Retail Pad
and Northeast Nob Hill Business Growth.

History and Current Conditions

In 1939, Charles Garrett Wallace built the De Anza Motor Lodge (“DE Anza”) on the outskirts of Albuquerque, creating a landmark for the east end of the Nob Hill District. Named for the Spanish lieutenant and future Territorial Governor, Juan Bautista de Anza. The De Anza became a non-discriminating motor lodge and Native American Trading Company. Political leaders from around the state would stay or meet at the Turquoise Café.

Unfortunately, as time went on, the De Anza became a shuttered landmark, with the City of Albuquerque purchasing the property in 2003. This was at the request of several individuals and organizations to save this historical landmark, protect Zuni Murals, save the De Anza sign, and save the terrazzo floor (with turquoise laid within the terrazzo).

The City of Albuquerque issued several Request for Proposals for the Private sector to redevelop the site. After three failed attempts, an agreement was reached with Anthea at Nob Hill, LLC (“Anthea”). The City sold the property on November 30, 2017 to Anthea. A site plan with 40 residential units, preservation of a future office building, preservation of the Turquoise Café, the preservation of the basement that housed

the Zuni Murals, and a restaurant pad along Central in the middle of the site. The business model was to operate the residential units as long term housing and a boutique hotel.

Construction took longer than anticipated with the final certificate on the housing and office being received February 2020. The site is very tight, which resulted in the entire block having a security fence. This fence limited the marketing ability of the Turquoise Café or the restaurant pad.

Finally in the beginning of 2020, traction on leasing the retail site took shape and with the reality of the residential being completed and occupied, retailers could see the physical vision.

BOOM, COVID 19 hit and all interest and activity disappeared. Primarily due to the uncertainty of the economy, the closing of the retail business, and the reported projections that 60% of restaurants will fail in 2020. Not to mention that the film industry cancelled all reservations of their anticipated rentals of the Boutique Hotel.

2020 / 2021 Action Plan

Residential Units: The residential long term units successfully leased and showed strong demand. The COVID 19 did have an impact on marketing the units. However, 23 of the 25 are on long term leases, with increase of rates on studios and one bedrooms as supply was reduced. Two units have been released, one for a resident moving to a different unit and the second due to a transfer. Each time the rate was increased to the new resident.

Boutique Hotel: These 15 units, a mix of studios and one bedrooms, have not been 100% vacant. A few nurses leased prior to the construction being completed. We have another request for a few nurses, however dependent upon their length of stay, may not justify taking the units off the market.

The film industry would not consider rental of the De Anza until the construction was completed, which was in the middle of February 2020. Immediately following certificate of occupancy for all residential units and amenities, reservations for the Boutique Hotel were received. COVID 19 caused all reservations to be cancelled. Current political policies have prevented any additional demand. New State film policies are being considered and the De Anza is designed architecturally with no hallways/independent access to identify the De Anza as an ideal

residential property to be considered by the film industry. The De Anza anticipates May interviews for June and July 2020 occupancy.

Office: Currently the office space at the De Anza is 100% occupied.

Turquoise Café: The shell is 75% completed with a new roof, electrical panel, gas, sewer, and water. Typically a landlord attempts to complete the shell at the same time with the tenant improvements, for economic and scheduling benefits. With the COVID 19 impact, the goal now is to finish the shell construction that will allow for a shell certificate of occupancy. These improvements are to primarily finish bathrooms, HVAC, and electrical distribution.

The building will be continued to be marketed by a third party broker for an occupant. Hopefully, being leased with 90 days from when the economy is back to somewhat of a normal market.

Restaurant Pad: This pad was targeted for a two story building that the use would compliment the residential units. With the economic impact to existing restaurants (expected 60% to close), the marketing and demand time has probably been extended five years from 2020.

Leaving the site vacant has concerns that impact the residential units and East Nob Hill activity. Therefore a temporary use being considered is an open beer garden with family entertainment. The design is to have containers for the Bar and freezer area, restrooms, and restaurant. All tables will be outside in the air, allowing safer surroundings.

The De Anza Beer Garden will be a brewery, creating some of their own recipes. The balance of the beer will be guest kegs from other Albuquerque breweries.

The De Anza Brewery will only be open Friday, Saturday, and Sunday. Special events may take place during the week. Hours of operation will be from 10 AM to 10 PM, always making sure events end prior to midnight so that residents and neighborhoods are not disturbed.

The De Anza Brewery will not operate the restaurant, the goal is to work with new start up restaurants/food trucks, to give them a better opportunity for exposure.

Large trees, colorful canopy's, exterior lights will be throughout, a theme that supports Route 66 and the De Anza. Ping-Pong tables, Corn hole, and other activities will be included on site.

Occupancy is expected not to exceed 50 people at any one time.

This is a temporary use, not disregarding the original concept. It will need to gain neighborhood support and City approvals. The goal would be to have it operational March/April 2021.

Once the pad is ready for long term development and occupancy, most of the De Anza Brewery improvements can be relocated to another site.

A preliminary design concept is attached. Residents at the De Anza are very excited. The next step is to meet with the neighborhood association to find out if they support the concept.

The Request to City:

1. Modify Development Agreement to current conditions.
2. Release the \$90,000 to Anthea that was to reimburse for the refurbishing of the De Anza sign and securing the murals.
3. Approve the De Anza Beer Garden (once completed) as a successful alternative to complying with 100% of the development agreement.

Financial Plan:

1. Land Cost: On a land lease, cost to cover property taxes and landlord's insurance.
2. Occupants will be limited to 50 people at one time. Performa used an average of 35, which turned over four times a day during a 10 hour period. An average of 27 people at one time is a breakeven on the income expense projections.
3. Using the above assumptions, during a 3day weekend there would be 420 customers.
4. Three days a week open, no special events or other income (i.e. shirt or growler sales) were included.
5. Each person would have two beers, cider, or wine during their stay. All sales are calculated at \$5.00 a pint, cider, wine. Did not consider additional income from our brew or celebrity beer masters.
6. One Keg can generate 124 pints, used 100 pints to account for wasted product.
7. Assuming that 50% of the customers will spend \$10.00 on food.
8. The restaurant operator would have no real estate or utility expense. Therefore 10% of their sales will be their lease rate.
9. Budgeted a capital investment of \$140,000.00.
10. Budgeted a manager with six 30 hour employees.

11. Annual Net Operating Income with only being open eight months, approximately \$35,000.
12. Annual Return on Investment is projected at approximately 25%, 100% payback of investment in four years.

Nest Steps:

1. Get conceptual design.
2. Have a meeting with Nob Hill Association to review concept and get their approval.
3. Have a preliminary meeting with L.U.C.C. to get their conditional approval.
4. Price out the cost of construction with TLC and Pat Maloy.
5. Prove the income and expense projections with existing operator.
6. Firm up accounting rules for depreciation of this type of improvement.
7. Raise 100% of the capital required.