



Rail Yards Advisory Board

Wednesday, April 4, 2018

11:30 AM

Albuquerque/Bernalillo County Government Center
City Council Committee Room, 9th Floor

DRAFT MINUTES

Members Present:

City Councilor Isaac Benton
Sen. Jerry Ortiz y Pino
Rep. Miguel Garcia
Rep. Javier Martinez
Comm. Steven Michael Quezada
Lawrence Rael, COO
Alex Romero, Governor's representative
Eddie Garcia, South Broadway
Eric Griego, Barelax
Jay Rembe, ULI-New Mexico
Leba Freed, WHEELS Museum

Members Absent:

Sen. Michael Padilla

City Staff and Other Resources Present:

Diane Dolan, Policy Analyst, City Council Services
David Campbell, Director, Planning Department
Karen Iverson, MRA Manager
Gabriel Rivera, MRA Staff
Matt Butkus, MRA Staff
Leslie Naji, Historic Preservation Office, Planning Department
Alan Varela, Assistant City Attorney
Former Rep. Rick Miera
Kevin Morrow, COA Legal Department

- I. Call to Order: Councilor Benton called the meeting to order at 11:45 am
- II. Welcome & Overview

- III. Approval of Minutes: Councilor Benton moved approval of the July 12, 2018 RYAB Meeting minutes, Rep. Garcia seconded. The motion passed unanimously.
- IV. Existing Zoning/Master Plan for Rail Yards: Councilor Benton gave a presentation of the master plan/land use plan.
- V. City Activity/Making the Site More Development Ready – Planning Dept. David Campbell summarized the July ADC review, at which the ADC made a second annual determination that the developer had not exercised reasonable diligence. A memo was sent to City Council to report the decision. Director Campbell sent a letter to Samitaur notifying them that the City was terminating the agreement.

Sen. Ortiz y Pino asked if the Samitaur responded. Campbell: There has been no response to the letter but there were some discussions prior that this was the direction the city was going.

Rep. Miguel Garcia asked the status of the pledge from Samitaur to contribute \$1 million toward remediation. Campbell: There was not a contractual obligation, it was committed as an offer in moving forward as a loan to city. It was kind of an empty offer.

Rick Miera asked if there anything the developer had done that we need to undo in order to move forward? Campbell: No. The Master Development Plan is still in place. Only the contract was terminated. The Master Plan was part of the anticipated work product and the City does not owe Samitaur money for this.

Karen Iverson gave a presentation to the board. What are lessons learned for moving forward?

Sen. Ortiz y Pino stated that nothing will happen until we get the environment cleaned up. That's a lot of reason that the project stalled. Hopefully we won't uncover additional problems.

Councilor Benton said that the development agreement left it too loose as to who would be responsible for the clean-up. This may have been intentional as the idea was that Samitaur would do some. It left the responsibility undefined and think that was a weakness.

Ms. Freed said that the contract was nebulous in many ways and we did not hold Samitaur's feet to the fire as far as time. There were no deadlines or dates set for Samitaur to perform.

Mr. Rembe stated that there other development-ready issues, such as storm water and utilities that have to be addressed.

Councilor Benton stated that storm drainage is important, impacts even roofing jobs. Roofing is also important.

Mr. Miera said that anyone else will be in the same place in two years from now if we don't take some action. Who is the "we?" City, state, county?

Mr. Griego said we were hoping the developer would push the project on and that there was not enough commitment from City. We've got to move this, not be dependent on the developer.

Rep. Garcia said that we definitely need to have a capital outlay plan. The plan has always been superfluous, not grounded. This showed when the City lost money for the roofs. The Local Government Division is getting strict about expending capital outlay in a timely way. Also we have never had a sound security plan. He thinks the City is addressing this now, but we also need follow up with APD when crime occurs on the site.

Councilor Benton noted that security has always been an issue. It was a mistake to let an associate of Samitaur (Jim Trump) be in charge of the site, including film bookings. We need to take this on as a capital outlay request, should always have a local match.

Ms. Freed said there has been much improvement in the last few days with 24-hour security.

Ms. Iverson continued with the presentations, speaking about moving forward for the success of the project.

Site capacity: We have been in conversations with BNSF for the easement on the south side of the site. BNSF has stated they have "no use" for the turntable or tracks and are going through a corporate process to abandon the easement. This would allow for other opportunities in that part of the site.

Some design work was done but we also need to look at economic feasibility. It will take time to build up to the very large buildings.

Redevelopment strategies: We need to be precise to leverage and launch the Market forward. Break down large projects into smaller, incremental chunks so the market can absorb it. Consider public office spaces. How do we work with the local development community to break the project into workable pieces?

Short term and long term strategy: Increase security, implementing 24-hour security, installing motion detectors.

Management will be transferred to the city; the management company was not addressing issues in a timely manner.

NMSLHS will be moving their trains to the site.

We are looking at circulation at the north end of the site.

There was a 3-way MOU w/NMED; the new agreement does not include Samitaur.

Looking to demo buildings that were identified in master plan and ok'd by SHPO for demo.

Long term, we will need to bring utilities to the site and repair the roofs.

Management portion includes keeping site secure, maintenance, clean-up, rentals.

Environmental remediation: City is submitting application to NMED to enter into voluntary remediation plan. Soil contamination is the biggest factor on the north part of the site. We believe we can do some selective excavation, and can get the north part of the site up to residential standards.

The City is committed to improving/expanding the market. We are looking at adding amenities, adding shade structures, and making traffic flow improvements as well as bringing the Flue Shop up to Blacksmith shop condition.

Another key to making the site work is how it connects – how are people going to move to the site? Maybe rail, maybe 2nd Street.

We will work with cultural partners, including WHEELS and 2926/NMSLHS.

We should explore partner structures, development structures.

The Fire Station seems like a good place that we can put out to RPF for development first.

We don't want to interfere with market activities.

Mr. Eddie Garcia inquired about the holding pond east of the site. Will they be doing topographical survey/study? Recently, there has been additional water coming into the pond from downtown. Will there be another holding pond built on the rail yards?

We will have to address any run-off and ponding needs.

Will there be neighborhood meetings? Attend NA meeting?

Councilor Benton stated that we can meet with the nhoods but we'd really like the neighborhood representatives on the board to talk to their neighborhoods and for the representatives to bring back any new concerns to the board. There is no reason the City can't also attend an NA meeting.

Director Campbell state they would be happy to make a presentation to NA at an upcoming meeting.

Mr. Griego noted that in Barelmas, there is more than one group, no one represents the whole neighborhood. We need widespread outreach and participation.

Director Campbell stated that the Mayor has charged them with real community engagement.

Mr. Griego asked about anchor institutions and bringing utilities to the site. What is PNM's responsibility to be a real partner? COO Rael said that we've had conversations with the CEO of PNM. Utility institutions have a way of doing business. In the Alvarado development, PNM wanted a substation, we negotiated transformers. They have consistently indicated that a substation would be needed for development of the site. Is this really what is needed or is it just PNM using the project to build desired redundancy? A substation is between \$8-9 million. Until we get to the point of looking at what the specific uses are, we will not know what the actual need is. Redundancy would also be good for the area/neighborhoods; maybe we could negotiate with PNM to contribute in that. He is asking that PNM have someone on the team discussing development. Water lines need to be upsized (off-site issues) and the cost will be \$3-4 million. Traffic is another off-site issue that will need to be addressed, as it will impact the community.

Comm. Quezada stated that he is not hearing anything about using renewables. He sponsored a PACE program at the County. There are opportunities for solar farms. We don't have to always be restricted by PNM. He asked about demolition and what happens if we find out there is more contamination under the buildings when they are removed. Clean up is the number one priority. He thinks there are ways to get money for other utilities, such as water. Looking at security is a good thing. If it doesn't have the proper infrastructure, it will be a longer process to get it developed. What is our first priority and what are the first steps we should take?

Rep. Martinez echoed Quezada's points. For a Capital Outlay request, he would like to hear a vision for the entire site. Chavez had a vision, 20 years later nothing has changed. Without a vision being articulated, it's hard to get passionately behind a request. Also we need a city-wide process that

includes city-wide public input, not just the adjacent neighborhoods. This is a big project that has city-wide impact and should have city-wide input.

Sen. Ortiz y Pino talked about two approaches to capital outlay. One way is to get a group of legislators, which is common for requests. We should do that but also send a request to the new administration for a big portion (\$6-8 million from governor's portion, legislators could also give funding). Now that the City is driving this, isn't it the perfect place for a TIDD?

Councilor Benton said that the Master Plan is the vision, the uses that were talked about. The plan went through a public process, and like any public process, it may have had flaws; it is always difficult. He hasn't heard anything from the new administration that these are not exciting, good uses. Deterioration of the site is a major concern, which is not the sexiest capital request. Maybe we need to talk about the roof with solar panels or solar-panel ready. Talk about parking in terms of solar panels. Tell an exciting story about the site, the history, crossroads, that segway into a capital request. He agrees with having this on the governor's call in addition to requests to legislators.

Rep. Martinez suggested we package the story and request into 30-second elevator speech.

Ms. Freed stated that WHEELS has been telling that story for 20 years. They met with Allan Affeldt, who felt we could not piecemeal the project as far as funding, TIDD. Is that correct?

Dir. Campbell told the board that they receive about a proposal a week unsolicited. All have different ideas of how it could be done. We are listening to all of the ideas. We will have to follow a certain process, and don't want to look back and have concerns about specific ideas discussed at the RYAB.

COO Rael stated that the City is willing to have conversations about any financing options. We need to get the environmental remediation done, number one priority. No one will touch the site without this. Why should we fix the roof today? Someone may want to put solar later? These buildings are on the national historic register. We need to keep them from deteriorating any further. We've got to get them preserved. Asbestos in the buildings as it relates to the windows is another chunk of change. We hear the urgency from the board, the Mayor also feels the urgency. Environmental is a process unto itself. There is an opportunity to see if there is some assistance on capital outlay in this coming session. We want to give the legislature and governor a package they can't resist. The Master Plan is a good master plan. He cautioned everyone not to get too hung up on the plan, though. We might get someone who wants to build something great but completely different from what's allowed in master plan.

Rep. Garcia said he is sold on the capital outlay plan put forward. He toured the site with Gabriel Rivera, sees the needs at the site. He also sees liability, such as firms leasing the space having to put nets up so pieces of roof don't fall on cast/crew. We need a bigger plan, expand pool (not just those who represent the area), plan for how we get buy-in from legislators. Make a list – what you want to complete, what you want each legislator to commit. Need to do a tandem approach. Intersection of Cesar Chavez & I-25, worst on freeway, gateway to baseball stadium, football, NHCC, Rail Yards. It has no landscaping. Need to work in tandem with development of Rail Yards to enhance the surrounding community. The strip of road (Bridge) from the river to Guadalupe overpass also needs improvements, as does 3rd Street. South Broadway is the only community on I-25 without sound walls. There was talk about expanding the zoo train to the NHCC and Rail Yards eventually. Utilize state resources but make a larger/wider impact in the community.

Councilor Benton stated that the capital outlay rises to the level of a request to the city-wide delegation.

Mr. Rembe said he is very glad to hear about the efforts the City is making. Neighborhood groups will need to understand that it's not going to be perfect.

COO Rael said there is opportunity in the next 30-45 days to rehab one of the buildings. This might be an opportunity to have next RYAB meeting on site, invite legislators so they can see it.

Dir. Campbell seconded COO Rael's suggestion. The City had an event at the Rail Yards Friday and Saturday; we invited artists and photographers to the site for "before" pictures of the site with the idea that in short order, we will have "after" pictures and be able to compare them. Visit for legislators is logistically possible and very persuasive.

Benton asked the senators and representatives on the board if this would be something they would go to. Sen. Ortiz y Pino said timing is important, maybe have it on the weekend. Should be wider invitation than those that represent the area – whole city, county delegation.

Mr. Miera said it made a big difference when people came for site visits. When he was a state legislator, he sat on the board that made capital outlay decisions. The City has a little blemish on request due to previous funding coming back. We need to include plan for spending money/deadline as part of the request.

Mr. Griego noted that the RY Market has been very successful and it might be good to bring legislators during the market.

Councilor Benton stated that the RYAB will invite legislators.

- VI. Options for Next Steps/Development – Planning Dept. (combined with previous agenda item)
- VII. Capital Outlay Request
Roofs, utility extensions, streetscape improvements/connectivity
- VIII. Other Business
Steve Bradford w/NMSLHS announced that the 2926 is having its annual Open House.
- IX. Adjourn 1:16 pm