



## **Rail Yards Advisory Board**

Tuesday, January 6, 2015

11:00 AM

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

### **DRAFT MINUTES**

#### **Members Present:**

Isaac Benton, City Councilor, District 3  
Gilbert Montano for Mayor Berry  
Diana Dorn-Jones, South Broadway primary  
Janice Convery, South Broadway alternate  
Eric Griego, Barelás  
Jay Rembe, ULI-New Mexico  
Leba Freed, WHEELS Museum  
Alex Romero, Gov. Martinez's representative  
Rep. Rick Miera  
Rep. Miguel Garcia

#### **Members Absent:**

Commissioner Art de la Cruz  
Sen. Jerry Ortiz y Pino  
Sen. Michael Padilla

#### **City Staff and Other Resources Present:**

Kara Shair-Rosenfield, Policy Analyst/Planning, City Council Services  
Andrew Webb, Policy Analyst/Planning, City Council Services  
Suzie Lubar, Director, Planning Department  
Rebecca Velardy, Metropolitan Redevelopment Manager, Planning Department  
Maryellen Hennessy, Senior Planner-Preservation / Lucc Staff, Planning Department  
Petra Morris, Senior Planner-Preservation, Planning Department  
Jim Trump, Samitaur Constructs

- I. **Call to order:** Councilor Benton called the meeting to order.
  
- II. **Board Membership Updates:** Councilor Benton announced that there are going to be a number of changes on the Board, effective after today's meeting. First, Diana Dorn-Jones, the primary representative from the South Broadway neighborhood, tendered her resignation. Second, Representative Rick Miera has officially retired from the state House of Representatives after 24 years of

service.

Both Diana and Rep. Miera offered words of thanks to the Board and the community and expressed their support for the redevelopment of the Rail Yards. Diana said that she has seen this project start and stop many times before and that this is the furthest she's ever seen it go. She also commented on how important it is to get the project right this time, for the city and the neighborhoods, and stated that she will be happy to be called on to help in the future.

Rep. Miera recalled his history with the Rail Yards, dating back to his youth when he used to play on the tracks and woke up to the sound of the horn every morning. He commented that the railroad is so important to this community and that the Board's work is about making sure that the site is going to serve and be enjoyed by future generations. He echoed Diana's offer to help and welcomed the Board to call on him in the future.

Eric Griego mentioned that Rep. Javier Martinez, who was elected to take Rep. Miera's place in the House, just welcomed his second child, which is why he was not able to attend the meeting. Rep. Martinez sent a letter to the Board, which Eric said he would read later in the meeting during the discussion of the Rail Yards Market.

Councilor Benton noted the diverse representation on the Board and thanked all of the members for their commitment and service.

- III. Approval of minutes from the 3-6-14 Meeting:** Prior to approving the minutes from the last meeting, Eric Griego had some questions about the discussion of Interim Uses that took place at the last meeting, when the Board was briefed on the Master Development and Disposition Agreement. Eric requested clarification regarding the process by which interim uses could be either established or terminated and whether the Master Developer may unilaterally decide whether and when to end an interim use. He stated that he was under the impression that such determinations were going to be made collaboratively, through conversations between the City, the developer, and the RYAB. He expressed concerns about groups – such as the Rail Yards Market – putting resources in and having little or no protection against termination.

Councilor Benton stated that it is his understanding that, until such time as the developer has an identified user and plan to acquire a parcel, interim uses can continue, as long as the developer is apprised of interim uses.

Director Lubar read from the section (§ 7) in the MDDA that deals with Interim Uses: "So long as the City owns a portion of the Project Area, the City may utilize such portion of the Project Area in any manner that does not interfere with Samitaur's development of the Area or the use or occupancy of tenants and owners of developed parcels in the Project Area."

Councilor Benton asked if that means the developer is required to demonstrate an impact in order to object to the continuation of an interim use, and Director Lubar responded that, yes, there would need to be a demonstrable impact (“interference”). Eric asked what the process is going to be for determining what to do with existing interim uses in the event that it is determined that there will be interference. Director Lubar explained that agreements to use the Blacksmith Shop include a provision that the Cultural Services Department may terminate a use with 90 days’ notice, which was determined to be a reasonable amount of time needed for the developer to close on a transfer request. Eric asked if decisions to terminate interim uses will be presented to the RYAB, and Director Lubar said, no, that is not part of the process and that the agreement gives Samitaur the right to say when it is ready to proceed.

Councilor Benton said he was glad that it was pointed out that the Master Development Plan includes a market on the site. He noted that, in his 8+ years of formal involvement with the project, a market is the one thing that there has been no disagreement about including, which is an acknowledgment that markets are a center of activity and will be a very important use on the site. He also stated that it is his view that, until the developer takes action to commence redevelopment, the City can proceed with additional activities on the site. Director Lubar offered a slight modification to Councilor Benton’s comment and said that the City must engage in conversation with the developer and take its concerns into consideration. Councilor Benton agreed but said that concerns must be legitimate, not specious, and reiterated that he thinks it’s important for the City to be able to continue moving forward with rehabilitation, specifically activities that will add long-term value to the development.

Eric expressed concern about the 90 days’ notice and what would happen to a user who is given such notice. He explained that the Rail Yards Market is in the process of planning for the 2015 season and acknowledged that it’s hard to know what will be going on by 2016. Jim Trump stated that it is his understanding that interim uses will be moved to another part of the site if and when Samitaur identifies a use for the Blacksmith Shop (or any other building put into use on an interim basis). He acknowledged that the Master Development Plan includes a market space but noted that the long-term plan was not to have it located in the Blacksmith Shop. Jim clarified that Samitaur’s position is that it totally supports the market but that it also supports a variety of entertainment uses, such as car shows and weddings. He reiterated that there must be open discussions and that, in reality, there will be many more opportunities to have discussions and provide notice prior to the formal 90 days’ notice.

Eric requested that the minutes of this meeting reflect this discussion of interim uses in order to clarify and this question. The Board then approved the minutes of the 3-6-14 RYAB meeting.

#### IV. Update from Samitaur Constructs:

Jim Trump provided updates on various activities in which Samitaur has been engaged since the MDP and MDDA were approved last summer:

- **Historic Preservation:** The State Historic Preservation Office (SHPO) and the City have been working on developing a Memorandum of Understanding (MOU). Samitaur took a first stab at drafting MOU, which provides a template for discussion. The parties met three weeks ago. They're expecting SHPO comments back on Jan. 9, and hoping to have MOU in place by March 1.
- **Environmental:** The City didn't do a Phase 1 when it purchased, which precludes certain funding opportunities. There are a lot of reports available, and Becca has them. This part of the process won't go as fast as the process with SHPO. The environmental issues are very important and a priority to address.
- **Archaeology studies / tribal council meetings:** These are being undertaken based on SHPO agreements. The designation of the site as a national historical place requires these consultations and studies. Documenting everything on the site is very important.
- **Getting an Appraisal, per the MDDA:** This will be a very difficult appraisal to get done since it's such a unique property. Brian Godfrey has been hired to do the appraisal.
- **Marketing:** The Smiths have arranged a tour of several international brokers to come to NM to tour the site. They don't think the main tenant will come from ABQ/NM. Brokers will be here at end of January (Jan. 25).
- **Construction:** The City is looking at re-roofing buildings. Now, with SHPO involvement, there are whole different guidelines. Drainage downspouts from the roofs, for example, also have to be addressed. It's a much more complicated process that SHPO has to approve.
- **Financing:** That is related to construction. What is the cost to redevelop a building? Can you build a building inside a building? We need costs in order quote lease rate, financing – it's a big jigsaw puzzle.
- **Deterioration of buildings:** This is still a City-owned property. Through Jim's experience as the property manager, we find needles all the time. Gabe has been doing regular sweeps. The type of fencing on the site – e.g., fire exit for Blacksmith Shop – makes it very difficult to secure the site. Priority #1 needs to be securing the site.

#### Questions from the Board:

Councilor Benton asked about the tribal consultation and with which tribes we would be required to consult. Jim Trump stated that, per the SHPO standards,

we are required to consult with tribal councils that may be impacted. Maryellen Hennessy explained that the SHPO office is under a mandate to encourage early consultation with tribes. She said that consultation will be with local tribes, such as Sandia and Isleta, and that Dr. Matt Schmader with City Parks & Recreation will be working on the consultation on behalf of the City.

Councilor Benton said he was surprised to hear that roofing repairs will be a SHPO issue and asked what kinds of concerns SHPO might have if the work being done would not be visible. Maryellen Hennessy stated that she thought any concerns SHPO might have – such as about fascia details – would be minor.

There was a lot of discussion about the security of the site. Diana Dorn-Jones expressed concerns about the deterioration of buildings and securing the site, which, she said, young people from the neighborhoods love to explore. Becca Velarde explained that there are currently funds available (about \$600K) for roof repairs but that there are no additional funds identified for security. Jim Trump said that there is limited revenue being generated by movie company rentals and that there is about \$40K available in that fund. Councilor Benton and Diana both commented that you can do a lot of fencing for \$40K.

Councilor Benton mentioned that there are legislative requests for additional funding for the site in both the City's general request to the Legislature in the 2015 Session and in the proposed 2015 General Obligation Bond package. Rep. Miera cautioned that legislative requests need to be carefully worded and clear that the funds are for permanent, not temporary, improvements.

In response to comments that came up during the update and discussion with respect to homeless persons on the site, Rep. Garcia commented that it would behoove the City to look into the possibility of using portions of the site to deal with the homeless issues that have long existed in the area. He suggested seeing the transient/homeless population as stakeholders who can potentially be part of the solution to the security issue rather than as outsiders or agitators. He provided his perspective that, in the past, the issue of homelessness was dealt with from a community perspective rather than an institutionalized perspective. He challenged the City and the RYAB to begin approaching the issue from a community perspective, and he challenged the developer to have an open mind about the homeless population and think about the role the redevelopment of the site can play in addressing the issue of homelessness.

Jim Trump clarified that his earlier comments about homeless persons on the site was meant to express his concern for their safety since the roofs of certain buildings, in particular, are rapidly deteriorating.

- V. Update on Historic Preservation Efforts:** Maryellen Hennessy stated that the process of nominating the site to the State and National Registers of Historic Places yielded an excellent historic narrative of the site that is available online.

She explained that the MOU with the SHPO, which she is confident will be signed soon, essentially reiterates many of the things that are in the Master Development Plan and provides assurances to both the City and developer about being able to move forward with redevelopment. She also explained that the SHPO will provide input on the redevelopment of certain buildings in accordance with the Secretary of the Interior's Standards.

Councilor Benton asked whether the SHPO is concerned about modifications to interiors, too, or primarily what is visible from the exterior. He was specifically inquiring as to whether the SHPO would want to weigh in heavily on re-roofing and roof maintenance work. Maryellen said that the SHPO has a say in interiors as well as exteriors but that repair/maintenance work that doesn't affect the exterior appearance of a building is technically exempt from review, as under local laws.

Eric Griego said he was concerned about responses he had received from the City when he and others involved with the Rail Yards Market had inquired about making temporary alterations – e.g., to try to cool the Blacksmith Shop during the hotter months – on the site. Another example he provided was that a community member had volunteered to raise money to replace window panes with historically appropriate glass. Eric's concern was that they were always told by the City that they couldn't do things because of "historic preservation reasons." He read language from the boilerplate contract that said "Permanent and semi-permanent changes may not be made to the site." He expressed that he was disconcerted about the City hiding behind historic preservation issues and stated that the City needs to be willing to work with the community, particularly when people are volunteering their time and offering to privately raise funds for the site.

Maryellen stated that she was disheartened to hear that they had received that response and that she was completely unaware of the requests/proposals or responses being given by the City. She explained that the Planning Department and, specifically, preservation staff is the single point of contact on historic preservation matters and that people have misconceptions about what's required under historic preservation laws. She invited Eric and others to speak directly with historic preservation staff about matters that might involve interpretation of historic preservation requirements.

**VI. WHEELS Museum – Presentation of Visitors Center Proposal:** Leba Freed, President of the WHEELS Museum, presented "Rail Yards Visitors' Center: A Concept Proposal" to the Board.

Councilor Benton stated that he finds the idea compelling, particularly the approach of relying on volunteers and continuing to redevelop the site in a way that is revenue neutral to City taxpayers.

Jay Rembe said the idea was very exciting and a great way to educate the public

about the history of the site.

Eric Griego offered his thanks to the WHEELS Museum for their assistance in getting the Rail Yards Market off the ground, and Rep. Miera said it was good that WHEELS has taken its ideas and actually put them on paper. He also expressed support for the idea of a visitors' center.

Gilbert Montano asked if WHEELS had identified a funding source, and Leba said that WHEELS has some money and would look to the City to help with getting the building up to code. Diana Dorn-Jones what the expected cost would be. Leba said that they have estimated it will take \$300,000 to get it up-and-running.

Rep. Garcia asked if WHEELS has exhibits or materials related to the labor history of the Rail Yards. He shared a story about U.S. Senator Dennis Chavez's experience with the Rail Yards, particularly a time when, as a 15-year-old boy who worked for a mercantile store that delivered goods, he failed to complete a delivery to the Rail Yards because his family members and neighbors were on a picket line, which he refused to break. He shared the story to illustrate the rich history of the site.

Diana Dorn-Jones asked if WHEELS is seeking a vote of the Board. Leba said that WHEELS would love to have something official from the Board.

Councilor Benton moved that the Rail Yards Advisory Board, recognizing many fiscal questions are yet to be answered, would like to see the City pursue the idea of a visitors' center with WHEELS. Eric Griego and Rep. Miera seconded the motion. The Board voted unanimously to support the motion.

- VII. Discussion of the Rail Yards Market:** Councilor Benton explained that the City Council, just the night before, had heard from many members of the public who are concerned about and object to the City's proposal to only allow the Rail Yards Market to operate in the Blacksmith Shop every other week during the next season. The Board heard comments from the public, after which it engaged in its own discussion about what to do about the Rail Yards Market.

#### PUBLIC COMMENT

**1. Mr. Travis Mackenzie:** Mr. Mackenzie spoke in support of increasing, not decreasing the capacity of the market, including having a consistent (weekly) schedule and presence at the Rail Yards.

**2. Ms. Sean Wells:** Ms. Wells made a PowerPoint presentation to the Board, providing statistics about and comparing the Rail Yards Market to other successful markets in the country (Eastern Market in Washington, D.C.; Brooklyn Flea in Brooklyn, NY; Torpedo Factory in Alexandria, VA; and Pikes Place Market in Seattle, WA). She spoke in support of a year-round market and a

weekly schedule for the market.

**3. Ms. Stephanie Gallaway:** Ms. Gallaway spoke about the positive educational impact that the Rail Yards Market has provided and shared information about educational activities for children at the market. She said that the market provides a forum for educational organizations to showcase what resources are available to families and advocated for a consistent, weekly schedule for the market.

**4. Ms. Theresa Blankmeyer-Burke:** Ms. Blankmeyer-Burke described herself as a 20-year resident of Barelás. She said that what's so unique and important about the Rail Yards Market is that it pulls together old (traditional) and new Barelás. She expressed support for having a weekly market and expanding the market to be a year-round activity.

**5. Mr. Len Romano:** Mr. Romano described the Rail Yards Market as being one of the few things that perfectly captures the soul of Albuquerque and as something that couldn't be replicated anywhere in the world. He lauded the volunteer efforts that got the market off the ground and questioned why there is a battle taking place over keeping such a wildly-successful event a weekly event. He encouraged lawmakers to fund the project and Samitaur to become engaged in the Market, stating that the Market wants Samitaur's buy-in and to interact with them.

**6. Ms. Bianca Encinas:** Ms. Encinas expressed concerns about the emphasis placed on Barelás and that other surrounding neighborhoods – such as South Broadway and San Jose – seemed largely absent from the discussion. She also expressed concerns about the management, transparency, and accountability of the Rail Yards Market, as well as about environmental remediation issues. She said she is in support of having a market but is concerned about how decisions are being made with respect to the selection and charging of vendors.

#### BOARD'S DISCUSSION

Eric Griego explained to the Board that the volunteers who have been organizing the Rail Yards Market meet once a week and that everyone is invited to attend meetings. He also explained that the Barelás Community Coalition has been functioning as the Market's fiscal sponsor and that he has not made any money from the effort – that it was entirely volunteer service for him.

Diana Dorn-Jones expressed that she would like for South Broadway to have more involvement in the market and that she has been encouraging people from South Broadway to get involved. She asked for the two communities to come together to make the project a huge catalyst for both neighborhoods.

Eric said that there has generally been overwhelming support for the market and acknowledged that, despite their best efforts to be as inclusive as possible, there

are things that need to be improved in terms of the overall management. He noted that that's what happens when you have unpaid management staff. He introduced Alaska Piper to the Board and explained that they are working to have Ms. Piper be the official manager of the market.

Councilor Benton attempted to summarize what he heard. The management of the market wasn't perfect, but it was very much a seat-of-the-pants operation in its first year. There are going to be problems for any start-up operation in its first year, particularly when you have volunteers. He stated that, moving forward, the City needs to push for higher standards for management, but that the City should continue to support the market.

Rep. Miera asked for clarification regarding what the question at hand was – whether it was concerns about management, or the consistency of the schedule, or both. Councilor Benton said that it is his understanding that the main issue in the negotiations between the City and the Rail Yards Market is whether the market can operate every Sunday. Rep. Miera stated that he was swayed by the argument that there needs to be consistency in the schedule. He gave the example that, for someone who travels all the way to Seattle, there is an expectation that they'll be able to visit Pike's Place Market and be able to rely on it being open.

Jay Rembe asked what the reason is for not allowing the market to operate weekly. Gilbert Montano explained that the City has received many requests to rent the Blacksmith Shop for 2-day events to be held on Saturday and Sunday. He said that the City has been in negotiations with the market to explore possible ways of resolving the issue, including possibly issuing an RFP for the management of the market if it is to be held weekly.

Alex Romero wanted to recognize the progress that has been made through the efforts of the market and build upon it. He liked the idea of being consistent and predictable and said that the market, itself, will be a big anchor to attract additional cohesiveness.

Janice Convery conveyed her experience participating in the Rail Yards Market when she held a book-signing event there. She said that she got to see how people glow when they walk through the space and that it's very touching to see the human connections that take place in the space. She agreed with Rep. Garcia that it would not be wise to pull the rug out from under the market and derail the positive momentum it's created. She encouraged everyone to keep working together to find a solution.

Eric read Rep. Javier Martinez's letter into the record.

Eric said that he would support an RFP for the management of the market if it would mean that the market could operate every Sunday. He also offered to

resign from the Board if anyone had concerns about a conflict of interest on his part. He stated that the market isn't his but rather the community's and that he just wants whatever is needed to make it successful.

**VIII. Adjournment:** The meeting adjourned at 1:40 PM.