

SANTA FE RAILYARD COMMUNITY CORPORATION
Board of Directors' Meeting
Tuesday, July 12th 2011, 5:00 – 7:00pm
Community Room, Santa Fe Public Library, Santa Fe, NM

Attending: Board Members: Steve Robinson (President), Donald Meyer (Vice President), Dave Vlaming (Treasurer), Jean Berinati (Secretary), Craig Barnes, Ellen Bradbury, Gilbert Delgado, Bob Dunn, Stephen Easley, Tony Hatch Jacques Paisner, Al Romero, Devon Ross, and Lleta Scoggins.

Also Attending: SFRCC: Richard Czoski (Executive Director), Sandra Brice (Events and Marketing Director), and Anita Martinez, and Scott Harrison (taking minutes).

Public: None

Call to Order: The meeting was called to order at approximately 5:02 pm.

Approval of Agenda: The agenda was unanimously approved, motion by Donald Meyer, 2nd by Al Romero.

Approval of Meeting Minutes: The meeting minutes of 6/7/11 were unanimously approved, motion by Donald Meyer 2nd by Dave Vlaming

Public Comments:

- None.

New Business:

- Per Richard Czoski, there will be a ribbon cutting for Northern Insurance at their Baca Railyard location on August 1st at 4pm. This event is in conjunction with the Chamber of Commerce.
- SFRCC will send a support letter to Board member Ouida MacGregor as she deals with a family illness.
- The August Board meeting has been moved to Tuesday, August 9th.

Financial Report:

DRAFT MAY, 2011 FINANCIALS

- Dave Vlaming presented the draft May, 2011 Financials:
 - There is currently \$76,256.51 in outstanding receivables, primarily driven by outstanding rent due.
 - Net income YTD is approximately \$5K.
 - Per Richard, SFRCC will end the fiscal year with net income YTD of approximately \$1K.
 - Per Dave Vlaming, a general rule-of-thumb in reviewing the financials is that revenue income should approximate expenses (operations/debt service payments).
 - Per the Finance Committee, there were no variances of concern.
 - Sandy asked why no Events Income was reflected in the draft Financials. Richard will check this with Eun Hong, the accountant who prepares SFRCC's Financials.

- Other Financial Issues
 - At the end of June, SFRCC will have approximately \$393K in the bank, which is more than was forecasted. SFRCC’s proforma will be revised and the revised proforma will be presented to the Finance Committee at the next committee meeting.
 - Craig asked the reason for the difference between forecasted and actual.
 - Per Richard, the original projection was in done in February. There were savings in the area of expenses. Per Dave Vlaming, expenses YTD were \$50K under budget. In addition, per Richard, the CSF Management LLC credits to overall expenses contributed.
 - The next debt service payment is \$273,000, due in October.
 - The \$96K for reimbursement for archeological studies was approved by the City.
 - SFRCC is working with Santa Fe Clay on reimbursement of their tenant improvement allowance. Per their lease, Santa Fe Clay can recapture the \$54K in tenant improvements, plus interest, upon the expiration of their lease. Avra Leodas of Santa Fe Clay will be proposing a revised interest rate proposal at tomorrow’s Leasing Committee meeting.
 - W21 and El Museo continue to owe outstanding rent, interest and late fees.
 - Ellen Bradbury asked if there a long term plan for how to rectify the situation. Per Richard, the Board will continue to assess their options.

The draft May, 2011 Financials were accepted

Executive Director’s Report

PUBLIC USE MANAGEMENT UPDATE – SANDY BRICE

- Sandy presented the first Railyard Walking maps which were recently printed and have been distributed to key places in the City.
- The Junction restaurant in the Gross Kelly building will have a soft opening this weekend.
- Events:
 - June
 - “Currents” at El Museo
 - Buckaroo Ball
 - Father’s Day Fiesta
 - ◆ This event is reaching out to the South side of the City.
 - Two movies
 - Santa Fe Pride
 - Hayes Carll concert
 - July
 - James McMurtry concert
 - ◆ The Plaza has become a great space for concerts.
 - ◆ Per Sandy, the goal is to double the number of concerts next summer and SFRCC hopes to procure more financial support for additional events on the Railyard next season.
 - Folk Art Opening Celebration was a huge success.
 - ◆ Per Sandy, and several members of the Board, this was a great event and a celebration of what has been created and what is possible on the Railyard in terms of a community event and space.

- Saturday morning Sandy gave a tour to a group of individuals from China and Korea. This was a mix of artists, individuals who run art institutes, and urban planners. Many of the participants were interested in how the Railyard was developed.
- Girls, Inc.
 - For several years, downtown businesses have wanted to move craft fairs (Girls, Inc., Challenge NM specifically) off of the Plaza because these events have been curtailing business due to street closures and lost parking spaces for local businesses.
 - A call went out to move the events to the Railyard, particularly the Girls, Inc. event which is coming up. It is too late to move the event this year, but Girls, Inc. will meet with SFRCC about the 2012 event, after going through their current leadership transition.
 - Sandy should have an update for the Public Use Management and Promotion Committee at the next meeting.
- Sandy presented two issues for which she was seeking direction from the Board:
 - Discontinuation of Railrunner weekend service.
 - Discontinuation of weekend service is scheduled for August, 2011.
 - The Santa Fe Chamber of Commerce has initiated a campaign to keep the weekend service. The Santa Fe and Albuquerque Chambers are putting together a position paper which focuses solely on the financial issues and proposals for meeting the financial challenges.
 - The mayor and Rosemary Romero have been researching the legality of the Transit Board vote since neither Santa Fe City nor County is represented on the Transit Board.
 - The Downtown Action Team (Business Improvement District) in Albuquerque is involved in the issue.
 - Sandy asked if the Board would be willing to make a public statement supporting the importance of weekend Railrunner service and the reasons for maintaining it.
 - She also asked if SFRCC Board members are willing to call legislators if the need arises.
 - The Board would be willing to undertake both actions, but Steve Robinson recommended that SFRCC wait until the position statement from the Santa Fe and Albuquerque Chambers of Commerce is issued. The Board was in favor of this recommendation.
 - Steve Easley recommended researching the legality of the vote under the Open Meetings Act.
 - Security concerns
 - Graffiti problems are escalating and this issue taxes the resources of City Park staff and SFRCC's budget.
 - Many activities go on at night on the Railyard and there is no security at night.
 - Richard and Sandy met with ArtYard tenants regarding noise from the Park during events and security concerns.
 - The Santa Fe Police Department personnel are of the opinion is that there are two ordinances within the City (Alcohol ordinance and Panhandling ordinance) that need to be strengthened.

- ◆ Alcohol Ordinance: Forbidden to sell and consume alcohol but not forbidden to carry it or be drunk and disorderly.
- ◆ Panhandling Ordinance: Panhandling is allowed in the BCD.
 - You can't touch someone, follow them, panhandle when they are standing in line, or within 20 feet of an ATM.
 - What can be inferred from the Ordinance is that you can panhandle if you avoid the stated restrictions.
 - Panhandling is increasing.
- The President of the Downtown Merchants Association, Elizabeth Pettis, met and talked with the SFRCC Public Use Management and Promotion Committee and about the Downtown Merchants Association's efforts as an organization with respect to security. They have met with the City.
 - Using canine units helps mitigate security problems.
 - Motion detector lights might also help mitigate security problems.
- The Police asked SFRCC, the Downtown Merchants Association and Guadalupe Merchants Associations to brainstorm on possible solutions to present to the City. In this case, SFRCC would be officially added to the list of supporters for strengthening the ordinances. The Board is in favor of this.
- Sandy would like to have an SFRCC Board member also represent SFRCC in meeting with these groups.
- Devon Ross, Chairman of the Public Use Management and Promotion Committee stated that the time is right for this mutual endeavor. These problems are wide in terms of the City. SFRCC's responsibility is to protect the City's interest in the Railyard. Nothing will harm the public perception of the Railyard more than an exacerbation of these security problems.

LEASING REPORT

- There has been no response from Masque regarding parcels A-2 and B-1. SFRCC is currently marketing those parcels.
- Ricardo Mazal has expressed interest in leasing Parcel BB for his residence. He will be back in town next week and would like to continue discussions with Richard.
- BDG Group, who was going to pursue a 34-unit condo unit on Parcels FF and HH, are currently pursuing a multi-family rental and 6K feet of office/retail space. They are working on market studies and progressing well.
- The Housing Trust is working on due diligence on Parcel EE. This would be a 16 unit multi-family rental. They are currently looking at how many of their originally proposed sustainable feature they will be able to afford.
- The City has issued a Request for Proposal for the Depot shed. Proposals are due by the end of July. The building will need a minimum of \$20K for improvements to allow sale of prepared food, which has been one of the proposed uses.
- The Santa Fe Police Department will open Depot substation in first week of August.
 - Funds have not yet been approved for the Police substation and Depot improvements.
- W21 will be making a proposal to SFRCC for exchange of services for rent.
- SFRCC is currently amending leases with Captain Marble, Twisted Cow and Milestone to adjust their parcel size and determine the correct square footage. There are several small changes.

- Richard requested El Museo's names of Board Officers. The SFRCC Board would like to meet with the El Museo Board.
- The next court date for the Praxis Lien is 8/22/11
- Juicy Foods is working towards subleasing the One of One Space. They would sell organic prepared foods, including smoothies and salads. Richard and Tony Sawtell researched the exclusive right detailed in the Farmer's Market lease and are confident there is no issue in terms of violating the lease provisions.
- Richard has listed the available parcels on Costar, which is a national database
 - SFRCC is also ready to advertise the available parcels in the New Mexican, NM Business Weekly and the Albuquerque Journal.

COMPLETION OF RAILYARD PROJECTS

- Railyard Company is currently seeking to refinance their entire loan, not only the tenant improvements for the City sublease. The City gave them 120 days to get funding to build out the space they will sublease.
- Railyard Company is applying for a New Market Tax Credit. Total New Market Tax Credits include \$37 million.
- Railrunner will not be funding the fence along the tracks designed to keep individuals from throwing rocks at the train. This fence was being pursued by Warehouse 21 and SITE Santa Fe and would have cost approximately \$8K to construct. The grant request was for the Albuquerque area only.

CSF Management, LLC (CSFM) Update

- CSFM has completed all of the remaining scope of work.
- CSFM provided the City a check in the amount of \$154,174 on 6/30/11 which is the balance of the pre-funded \$250K from the City.
- The CSFM cash balance is \$62,796.
- Richard will schedule a Board meeting in August to discuss the cash balance of \$62K and an outstanding issue with respect to GRT.

Next Board Meeting: Tuesday, August 9th, 2011, 5:00-7:00pm – Location: Santa Fe Public Library, 145 Washington Ave., Santa Fe

Being no further requests for business, Dave Vlaming motioned to adjourn, 2nd by Stephen Easley, and the meeting was adjourned at 6:30pm.

Respectfully submitted,
Scott Harrison, Office Manager