

APPROVED BY BOARD OF DIRECTORS AT JUNE 5, 2007 MEETING

SANTA FE RAILYARD COMMUNITY CORPORATION

Board of Directors' Meeting

Tuesday, May 1, 2007 from 5:00 – 7:00 pm

La Farge Branch Library, 1730 Llano, Santa Fe, NM

Attending: Board Members: Steve Robinson (President), David Vlaming (Treasurer), Jean Berinati (Secretary), Craig Barnes, Stephen Easley, Gilbert Delgado, Pennington Way, Tony Hatch, Tony Sawtell (Attorney to the Board).

Also Attending: SFRCC: Richard Czoski (Executive Director), Sean Moody (Project Manager), Karen Keeling (Property Manager/Accountant) and Scott Harrison (Project Management Assist).

Call to Order: The meeting was called to order at approximately 5:05 p.m. by President, Steve Robinson. He suggested that the “Condominium Lease Language” agenda item be moved to Executive Session. Motion made to approve the Agenda, with that revision, by Craig Barnes, 2nd by Dave Vlaming. The Agenda was approved unanimously.

Minutes: Motion made by Stephen Easley to approve the April 10, 2007 minutes, 2nd by Jean Berinati. The Board minutes of April 10, 2007 were approved unanimously.

Financial Report: David Vlaming reviewed and discussed the March 2007 financial statements. There was nothing out-of-the-ordinary to report. Richard Czoski noted that SFRCC made a debt service payment of \$239,000 to the City. The Finance Committee is currently reviewing the 2007-2007 operating budget, which was presented to the Committee on April 25, 2007. The operating budget will be presented at the next Board meeting. The Operating Audit was presented last night (April 30, 2007) to the City Finance Committee and April 23, 2007 to the Public Works Committee with no comments on the audit to date.

Motion was made by Jean Berinati to approve the Financial Report, 2nd by Gilbert Delgado. The Financial Report was approved unanimously.

Executive Director's Report:

Leasing Report:

Currently, there are nine leases under negotiation. There are several potential tenants awaiting resolution of the condominium lease language, which will be discussed in Executive Session.

ArtYard, LLC may have Final Comments on leases A-1 and A-2 today. The leases should be signed by Thursday, May 3, 2007.

Recollections, LLC – SFRCC has signed a Letter of Intent with Kateryna VanHeisch for Parcel MM in the Baca Street area.

Molecule should be prepared to sign their lease very soon. Adriana Siso has submitted construction drawings.

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Peter Brill of Sarcon Construction – SFRCC is still working with Peter Brill on a potential lease of the La Puerta building (Parcel OO).

John Utton – The lease has been prepared for John Utton for Parcel E-1. SFRCC has received John Utton’s comments back and a lease should be ready to sign before the next Board meeting.

Allan Walter is interested in Parcel HH for his ceramics business. He would use this parcel potentially for a production center and retail site.

Santa Fe Audio Visual declined to lease parcel DD. Jean Berinati asked for the reason. Richard said this is unclear but it may be that they did not want to be responsible for constructing a building on the parcel.

Major/Minor Projects:

City Council approved a Notice to Post two weeks ago. The issue will go back to City Council on May 9, 2007 for a final vote. Richard expects it to pass – there have been no public comments as of yet.

Warehouse 21 is seeking \$1 million from a City CIP Bond for construction of their new building. It was approved by the City Public Works and Finance Committees and will go before City Council on May 9, 2007.

Farmers Market will go before City Council on May 9, 2007 to seek approval as a qualifying entity – this would allow them to collect State funding the City is withholding.

Street Naming:

The proposed street names for Baca and the North Railyard will go before City Council on May 9, 2007. The proposed names were presented to the City Finance Committee last night (April 30, 2007). Two comments were received: 1.) there are no Spanish names for the Baca area streets; and 2.) the street names “Railfan” and “Shoofly” are “lame.”

Impact Fees:

SFRCC has been advised that Councilor Heldmeyer will be introducing a resolution that all Railyard projects pay impact fees. This is a fee, charged by the City to tenants, on increased square footage for tenant projects. Tenants pay only on the incremental increase. Therefore, if a tenant is replacing an old building with a new building of the same size, there would be no impact fees. The fees go toward infrastructure for the City. The most impacted tenant on the Railyard is the Railyard Company, LLC which could have to pay approximately \$800,000. The total for all Railyard projects is estimated at \$1.5 million. Warehouse 21 is requesting a waiver from the impact fees, which is still pending. SFRCC has been informed, in writing from the City, that there will be no impact fees for the Railyard infrastructure.

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MRC Ammendment:

This amendment would eliminate the Metropolitan Redevelopment Commission's (MRC) jurisdiction over the Railyard. The amendment will be sponsored by Patti Bushee. The draft amendment will be presented to Public Works on May 21, 2007.

Plaza/Alameda Management

There is currently no word on funding for this project. Richard Czoski has requested that \$25,000 on PSA #10 go toward assistance in drafting Policies and Prodecures. This issue will go to City Council on May 9, 2007. Until a first draft of the Policies and Procedures has been completed, Plaza/Alameda Management Committee Meetings will be suspended.

Parking Update:

The City is investigating leasing parking from New Mexico School for the Deaf in order to run a shuttle back and forth from the Railyard. The timeframe would be from Memorial Day to Labor Day, 2007.

The parking area adjacent to El Museo will be complete by June 1, 2007, in time for the onset of their summer event season.

TPL will fence off the park in mid-May which will eliminate that site as a potential parking area.

Underground Parking Garage:

The completion date for the Underground Parking Garage is now late August. However, the garage will not be usable until October when the elevators are completed. The City considered allowing the garage structure to be used prior to elevator completion, with a valet service. However, in addition to having no elevator, the exhaust and fire systems would not be in place. This alternative was declared unacceptable by the state CID.

The Design and Construction Committee approved the Railyard Company's proposed elevator enclosure and asked the Railyard Company to accelerate completion of the elevators if possible.

Infrastructure:

North Railyard: Sean Moody stated that SFRCC has a water permit in hand for the North Railyard. Construction on the North Railyard began two weeks ago. The area adjacent to El Museo is targeted to be ready for use on June 1, 2007. Site Santa Fe will complete their addition on June 15, 2007. TLC will be clear of the Farmer's Market site by Farmer's Market start date. And North Railyard infrastructure is targeted to be complete by October, 2007.

TLC began construction with partial drawings. They began work using drawings from their original bid set – these were sufficient to get them underway. The original North Railyard contract was based on TLC's original proposal. Final construction drawings, which include dry

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utilities and landscaping, are now in hand. TLC is currently pricing a change order of approximately \$2 million which will complete the scope of TLC's North Railyard contract. Sean plans to present the change order to the Design and Construction Committee on Friday May 11, 2007.

Beginning on Monday, May 7, 2007, Paseo de Peralta will be closed in both directions between Alvord Elementary and Warehouse 21 for TLC utilities street cuts. There are lit signs currently warning traffic of the impending closing. All local traffic will have access. This closing will last 1-2 weeks. Jean Berinati asked about Alvord school bus access. School bus access is currently via Alarid street so buses will not be impacted by the closing. Frank Romero spoke with the principal at Alvord Elementary School today. In addition, the City issued a press release today about the closing.

Warehouse 21 and Santa Fe Audio Visual were demolished last week.

Baca Street Area: Sean noted the Baca infrastructure will be basically complete by the end of May. There will still be some landscaping outstanding. Currently, there are several open trenches on the Baca to accommodate PNM's gas subcontractor.

Design construction drawings are almost ready for the bike trails. SFRCC is contracted for bike trail design but not for construction. However, Ann McLaughlin with the City has asked Frank Romero to ask SFRCC to consider performing construction of the bike trails – this would not include the crossing at Saint Francis. Steve Robinson proposed that we wait until construction drawings are complete and a cost estimate has been performed. Richard Czoski had several concerns with SFRCC performing bike trail construction: 1.) Additional time requirements on SFRCC staff at a time of already-intensive workload; 2.) Would the work need to be open for bid, or could it be added as a change order to TLC's contract; 3.) Richard would like TLC focused on their current infrastructure scope. Pennington Way asked who would perform the work if SFRCC does not – Richard stated that the work would be performed by the City at some point. Stephen Easley expressed concerns that if we agreed to do the construction, that we may end up being pressured to construct the crossing at Saint Francis as well. Craig Barnes brought up that SFRCC needs to consider that if we do not perform the work, it may be done unsatisfactorily, and could negatively impact the look of our completed infrastructure. He stated that a possibility would be to consider doing the work at a time when it was more feasible for SFRCC. It was finally determined that SFRCC will wait to review completed construction drawings and a cost estimate before revisiting this issue.

Off-Site Improvements: There are two additional traffic lights that have been approved for design: one on Cerrillos Rd. at the Baca Railyard entrance and one on Manhattan and Guadalupe in the North Railyard. However, per Richard Czoski, the City does not want to install the light at Cerrillos until there is enough build-out at Baca to support it. The light has been designed and the funding is there. Stephen Easley asked if the Manhattan light is too close to the light at Montezuma. Richard thought this had been taken into account, but Stephen said it might be prudent to confirm this to avoid any future unforeseen problems.

Per Sean, TPL's work on the North Railyard includes a cistern beneath a parking lot adjacent to SITE Santa Fe that SFRCC is building for the infrastructure. TPL is also planning rainwater collection beneath streets that are being built as part of the North Railyard infrastructure. There

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is discussion pending to insure that TPL's contractors will follow correct inspection protocols for this work.

Sean presented the current construction schedule. Pennington Way asked what the definition of "complete" is on the construction schedule. Per Sean, "complete" means ready to use for its intended purpose.

Steve Robinson asked if the Warehouse 21 start date is contingent on them receiving the \$1 million from the City. Richard Czoski stated that Warehouse 21 does have a contingency plan – however, they received strong Council support at the Finance Committee meeting.

Sean Moody discussed the status of the rail realignment by Santa Fe Southern. The work is 50% complete; however there is a layout conflict at Road D which may affect SFRCC's layout. Tony Hatch asked who has responsibility for cleaning graffiti from the railcars currently in the Railyard. Richard Czoski replied that this is the responsibility of Santa Fe Southern.

Richard Czoski stated that, now that construction on the North Railyard has begun, SFRCC is being inundated with requests by tenants for changes and design tweaks. Due to schedule and financial impacts, these requests will be difficult to approve.

Steve Robinson expressed his thanks and appreciation to Sean Moody for all of his efforts to bring the North Railyard infrastructure construction to fruition.

Calendar:

SFRCC staff and Board of Directors have been invited to TPL's groundbreaking ceremony on Saturday May 12, 2007 at 2:00pm.

Richard asked that Board members inform Karen Keeling of any periods in which they will be out of town over the next two months.

The next Board Meeting will be held Tuesday, June 5th at main Santa Fe Public Library, 145 Washington Avenue, Community Meeting Room, from 5:00 – 7:00 pm.

New Business:

Gilbert Delgado brought up a concern. He stated that the early plan for the Railyard was to restore property to the old Plaza look. He feels that the Railyard has gone more to a warehouse look which lacks creativity and a landmark to make it distinct both for the local population and for tourists. He introduced the idea of a Ferris Wheel or some other landmark that would distinguish the Railyard. All were in favor of pursuing some sort of landmark on the Railyard and a committee was formed to address the issue. The committee will be comprised of the following Board members: Gilbert Delgado, Stephen Easley, Jean Berinati, Tony Hatch, Craig Barnes, and Pennington Way.

Steve Robinson read an email from TPL which states that TPL will start construction in mid-May and will be substantially complete by April, 2008. And although, they still have

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substantial money to raise, TPL has assured SFRCC that they believe they can raise the funds to complete the Park and Plaza/Alameda.

Public Comments: None.

Motion made by Steve Robinson to move into closed Executive session at 6:26 pm, 2nd by Jean Berinati Motion approved.

Executive Session: The Board of Directors did meet in closed Executive Session, pursuant to exceptions to the Open Meetings Act and nothing was discussed except possible disposition of real property, potential litigation review and personnel matters and no final action was taken during the Executive Session. No minutes were taken.

Motion made by Gilbert Delgado to return to Regular Session at 7:07 pm, 2nd by Craig Barnes. All approved.

There being no further business, motion made to adjourn by Pennington Way, 2nd by Tony Hatch. All approved. The meeting adjourned at 7:08 pm.

Respectfully submitted,
Scott Harrison, SFRCC Project Management Asst.