



ALBUQUERQUE DEVELOPMENT COMMISSION

MINUTES

Thursday, January 15, 2015
600 2nd St NW, Albuquerque, NM 87104

COMMISSION MEMBERS PRESENT:

Sherman McCorkle, Chair
Grayson Lee Trussell, Vice Chair
John Mechenbier
Paul Silverman

COMMISSION MEMBERS EXCUSED:

Jim Strozier

CITY STAFF PRESENT:

Rebecca Velarde – MR Manager, Planning Department
John Rivera – MR Sr. Planner, Planning Department
Chris Hyer – MR Sr. Planner, Planning Department
Joan Black – Development Coordinator, Planning Department
Ernie Gomez – Recording Administrative Assistant

1. **Call to order**

Chair McCorkle called to order a quorum at 2:11 p.m.

2. **Changes and/or Additions to the Agenda**

There were none.

3. **Approval of Minutes for November 20, 2014 Meeting**

NOW, THEREFORE, BE IT RESOLVED THAT the Albuquerque Development Commission (ADC) voted to approve the minutes for the November 20, 2014 meeting with the following changes:

MOVED BY COMMISSIONER SILVERMAN
SECONDED BY COMMISSIONER TRUSSELL

4. **Announcements / Public Comments**

There were none.

5. **MR Manager's Report**

- Rail Yards: The Metropolitan Redevelopment (MR) Manager provided an update on interim uses on property and stated the Blacksmith Shop will see little activity in the winter.

- Downtown Grocery: The groundbreaking was held in January; the project will be 15 months.
- De Anza Motor Lodge: Proposals in response to the Request for Proposals (RFP) were due January 9, 2015 and distributed to the Ad Hoc Selection Committee for scoring; the ADC will likely hear presentations in March.
- Entertainment Hub: Ad Hoc Selection Committee reviewing proposals in response to RFP; the ADC will likely hear presentations in February.
- Tax Increment Financing: The MR Agency is working on more official policies and procedures to streamline how this will work.

6. Old Business

a. Cien Aguas

MS JOAN BLACK provided an update on Cien Aguas and stated the group walked from negotiations. She updated the ADC that the property has been rezoned from O-1 to neighborhood commercial. She stated the MR Agency was exploring whether to release another RFP or surplus the property.

b. Zocalo Mercado

MR CHRIS HYER updated ADC that the EPC commission in August of 2014 selected Richard Yates and Sean Gilligan to be the developers. He stated negotiations between the MRA and the developer slowed due to lack of parking space and a zone change will be needed to SU-1. He said the City surveyed the surrounding area and found there is not enough room for additional parking, and parking agreements with adjacent property owners have been difficult to obtain. He added the developers were reevaluating the possible uses for the space. He stated the MR Agency will be the agent for the zone change process.

MR SILVERMAN asked about the current zoning.

MR CHRIS HYER answered the project fell under a special Barelás Sector Plan zoning.

MR SILVERMAN inquired into the proposed new zone/

MR CHRIS HYER responded SU-1 it gives the Environmental Planning Commission (EPC) discretion of parking and building height.

MR SILVERMAN asked if the zoning will allow apartments.

MR CHRIS HYER said Mr. Silverman is correct.

MR SILVERMAN asked if the MR Agency was proposing SU-1 for C2 uses.

MR CHRIS HYER stated the MR Agency was not pursuing that route.

MR SILVERMAN asked if mixed-use categories would apply and if the zoning would allow flexibility.

MR CHRIS HYER stated he will look into the flexibility of the proposed zoning.

El Vado

MR CHRIS HYER updated the ADC on development agreement negotiations with Palindrome and Sawmill Community Land Trust (SCLT). He stated Palindrome will develop the commercial component while SCLT will develop the residential component. He stated SCLT is not able to obtain a Low Income Housing Tax Credit (LIHTC) allocation in 2015. Therefore, Palindrome and SCLT are exploring other financing alternatives.

MS REBECCA VELARDE added we do not have much more detailed information about the LIHTC at this time.

MR CHRIS HYER stated Palindrome is still interested in moving forward with the commercial component. He stated that the MR Agency has been meeting with all parties to determine a course of action.

MS REBECCA VELARDE stated the MRA is very supportive of Palindrome and will continue working closely with them. She stated the MR Agency wanted to be up-front with ADC as it will affect the redevelopment.

MR SILVERMAN asked if staff had a meeting with Jay Czar.

MS REBECCA VELARDE said they have not gotten to that point yet.

MR SILVERMAN asked if it is possible to subdivide the site to separate the lots.

MS REBECCA VELARDE answered the MR Agency is contemplating that option.

MR SILVERMAN asked for the total number of planned housing units.

MS REBECCA VELARDE answered 60 units.

MR MCCORKLE inquired into the marketability of the two component separately.

MS REBECCA VELARDE stated the MR Agency is concerned about moving forward with one developer and component without the other component.

MR SILVERMAN inquired into assigning the housing component to another affordable housing developer.

MS REBECCA VELARDE responded the MR Agency is looking into that option but is generally supportive of both developers.

MR SILVERMAN recommended meeting with the Executive Director of the Mortgage Finance Authority (MFA).

MS REBECCA VELARDE responded the MFA is currently in an investigative mode and she does not know when their investigation will be complete.

MR SILVERMAN stated the redevelopment plan is novel but stated if the MFA penalized SCLT into 2016 it would be a shame to wait on the redevelopment.

MS REBECCA VELARDE responded the MR Agency was negotiating clauses that would terminate the agreement if the situation was not resolved in a short amount of time.

MR SILVERMAN inquired into the appeal.

MS REBECCA VELARDE stated the appeal was presented to City Council, and they voted to uphold the ADC decision.

c. Central & Alcazar

MR GABE RIVERA updated that the developer for the property on Central and Alcazar, Victor Limary, received a 1st letter of default in November and will soon receive a 2nd letter of default. Mr. Rivera said Mr. Limary stated he has an approved site plan and believes he can obtain the financing.

MR SILVERMAN asked if Mr. Limary has any previous development experience.

MR GABE RIVERA responded Mr. Limary's background is in engineering but his father is an experienced businessman.

MS REBECCA VELARDE stated this is an old development and the default process started under her predecessor and got lost in the transition. She also stated if Mr. Limary does not perform, then the land will revert back to the City.

MR GABE RIVERA said the MR Agency was hoping Mr. Limary could see the project to completion. He added the proposed project fronts Central Avenue with retail on the bottom floor and residential on top; the second structure includes 30 market-rate apartment units.

MS REBECCA VELARDE stated the MR Agency has not evaluated the developer's proforma.

MR SILVERMAN stated someone should look at the proforma to see if the deal makes economic sense.

MS REBECCA VELARDE agreed and stated she can take a look at the proforma.

6. New Business

a. LEDA Update

MS DEIRDRE FIRTH provided an update on \$10 million allocated to the Local Economic Development Act (LEDA) program by City Council. She stated the money will be available once the bonds are sold. She stated funds should be available around late May 2015.

MR SILVERMAN asked if the bonds were general obligation (GO) bonds or gross receipt tax bonds.

MS DEIRDRE FIRTH replied the funds will come from gross receipts tax backed bonds.

MR SILVERMAN inquired into the sale and repayment assumptions for the bonds.

MS DEIRDRE FIRTH stated the City should be able to finance the bonds and pay them off over a 25 year period. She outlined other types of funding sources available to the Economic Development Department.

MR SILVERMAN asked if funding will be invested within the City of Albuquerque.

MS DEIRDRE FIRTH stated the Economic Development Department is not prohibited from using the funds outside the City limits. She added all LEDA projects require City Council approval; thus, any LEDA applicant will have to make a pretty good case as to why they are requesting to use funds outside the City.

b. Marble Brewery Zone change and Expansion

MR GABE RIVERA stated Marble Brewery has been very successful and will have to expand to manage exporting of Marble beer. He said the McClellan Park plan requires the ADC to review the site plan for the expansion. Mr. Rivera stated Marble Brewery wants to expand the north side by 7000 square feet and will also need a zone change.

MR JONATHON TURNER stated Marble Brewery has outgrown their current zoning, and in order for them to keep up with the demand locally and regionally, they are seeking to add on a 7000 square foot addition to the brewery, which would be specifically for an extension of the brewing operation. He said the City's Zoning Division also decided that Marble Brewery has outgrown its zoning. He added Marble Brewery will ask for SU-1 for M-1 uses. Mr. Turner noted M-1 zoning is across the street to the east. He added the proposed zoning will allow for the manufacture and retail of beer. He requested ADC approval of the change.

MR MECHENBIER inquired into the current and planned ingress and egress to the site.

MR TURNER stated the truck traffic since Marble Brewery opened has been on 1st Street. He goes on to say the majority of truck traffic has always been here on Marble Street. With the expansion, he stated truck traffic would move to the north of the building, which is more appropriate.

MR MECHENBIER stated he thinks the change would be a great enhancement.

MR SILVERMAN stated Marble Brewery should seek a zone change to SU-1 for M-1, C-2 and High Density Residential to accommodate for future growth.

MR TURNER responded Mr. Silverman's suggestion is well taken.

NOW, THEREFORE, BE IT RESOLVED THAT the (ADC) voted to approve the Site Plan passing to the Development Review Board (DRB) for ~~final~~ approval.

MOVED BY COMMISSIONER SILVERMAN
SECONDED BY COMMISSIONER TRUSSELL

7. Adjourn to March 19, 2015

The meeting was adjourned at 3:17 p.m.