



## ALBUQUERQUE DEVELOPMENT COMMISSION

### MINUTES

Thursday, April 23, 2015  
600 2<sup>nd</sup> St NW, Albuquerque, NM 87104

#### COMMISSION MEMBERS PRESENT:

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

#### 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  
Angel Vallejos – Recording Administrative Assistant

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**1. Call to order**

Chair McCorkle called to order a quorum at 2:00 p.m.

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

There were none.

**3. Approval of Minutes for April 19, 2015 Meeting**

NOW, THEREFORE, BE IT RESOLVED THAT the Albuquerque Development Commission (ADC) voted to approve the minutes for the March 19, 2015 meeting with the following changes:

MOVED BY COMMISSIONER STOZIER  
SECONDED BY COMMISSIONER MECHENBIER

**4. Announcements / Public Comments**

There were none.

**5. MR Manager's Report**

- Rail Yards: The Metropolitan Redevelopment (MR) Manager provided an update nearing finalizing the appraisal. ADC to do a performance evaluation of the developer.
- Downtown Grocery: She stated that the next major milestone and construction will be the steel erection scheduled mid part of May.
- Saw Mill Area: She stated the City is working with community land trust to transfer a piece of property under contract with Saw Mill Land Trust to be used as community garden.

- Central & Alcazar: She stated that the Developer has preliminary approval from bank for financing Phase 1 and expect to close loan in May.
- 4<sup>th</sup> & Granit Property: Ms. Velarde said that they are moving forward with street improvements to help McCullen Park and North 4<sup>th</sup> corridor.
- Ms. Velarde stated that the City Council passed the Amendment to the Metropolitan Redevelopment Ordinance which is modeled similar to the current Zoning Code.

Mr. MCCORKLE asked to move on to 6A

### **DeAnza Motor Lodge Findings**

MR CHRIS HYER updated ADC that one developer was selected at last meeting. He stated that the staff has submitted 26 suggested finding for consideration the Commissioners consideration.

MR MCCORKLE asked how he wanted them to respond if they had any observations or comments.

MR CHRIS HYER answered however the Commissioners chose to respond, it would be easier to go through all of the findings at once.

MR MCCORKLE said I think that the Commissioners will speak up if they have something to say.

MR CHRIS HYER said

- Finding 1 simply states what these finding are for.
- Finding 2 refers to the Central Highland upper Nob Hill Plan.
- Finding 3 recognized capital needs assessment.
- Finding 4 states the RFP requirements at Central Ave frontage to remain.

MR MCCORKLE asked when that occurs in the design and construction of the project

MR CHRIS HYER responded when the appeal period expires, once given an answer we approach Land Marks Commission and developer, then ask for a Certificate of Appropriateness.

MR MCCORKLE asked if in this process it could happen that the developer with a substantial investment and the Historical Preservation Office disagrees can they stop the development.

MR CHRIS HYER responded by deferring the question to Mary Ellen Hennessey, Historic Preservation Planner.

MS HENNESSEY replied the review with the State Historic Preservation Office is for compliance with New Mexico State Statues. There are certain processes that we have to go through to meet our obligations. With Land Mark Commission, we will need drawings developed of sufficient detail.

MR MCCORKLE replied yes, the developer will understand going in the definition of the drawings they have to create to receive approval back from both entities

MR MARYELLEN responded they are different and separate reviews, keeping developer well informed of where we are at in the process.

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

MR STORZIER asked is it the City or developer that will be going to the SHPO and requesting approval.

MS MARY ELLEN replied you are relating back to Finding 7, approval to SHPO to mean the City has gone through its mandatory consulting process and come out with an agreement. The City has the obligation not the developer.

MS VELARDE asked would the word consult be used instead of approval in order to be more accurate and clear about our responsibilities.

MS MARY ELLEN replied that would be an appropriate alternative that the word approval.

MR TRUSSELL responded if we can be clear what the City's responsibility.

MS MCCORKLE responded to enumerate those differently.

MS VELARDE stated the City will consult with the State Historic Preservation Officer on the re-development of the DeAnza Motor Lodge.

MS MCCORKLE replied that they should be separate and enumerate then.

MR TRUSSELL responded that it sounded good for the first part of that.

MS MARY ELLEN said 7b could take the place of 8.

MR VELARDE said number 8 further the DeAnza Motor Lodge is a designated City Land Mark and in accordance with the Land Marks Conservation ordinance and will require approval by the LUCC is more accurate in this case .

MS SILVERMAN inquired about the RFB requirement as part of the development work.

MR MARYELLEN replied yes it was.

MS SILVERMAN responded the developer should have budgeted time and money for this and understand the risk and the wording chances make it ok.

MR SILVERMAN asked if the City was going to assist the developer at the LUCC.

MS VELARDE replied yes the MRA's role is to assist the developer throughout the process to help accomplish the project goals.

MR SILVERMAN responded you might write that in to the finding.

MS VELARDE stated adding the MRA will assist the developer through this process.

MR SILVERMAN responded that it was a good clarification.

MR MCCORKLE asked if Finding 8 as it was currently exists.

MR HYER replied yes.

- Finding 9 give recognition that the Anthea's proposal fills the goal and will do the restoration of the Central Avenue frontage and replace the remaining building with a similar design scale.
- Finding 10 states the access and mural preservation be maintained.
- Finding 11 refers to the redevelopment project a quality urban design cognitive with Neighborhood and Central Avenue pedestrians.
- Finding 12 states the Anthea's project will provide vitality and be catalytic to economic re-development.
- Finding 13 states the team is experienced in development and management.
- Finding 14 relates the time being of the essence and developer will meet goal.
- Finding 15 refers to demonstration by Anthea to have a practical, achievable financing structure.
- Finding 16 recognizes the Anthea proposal has a strong letter of interest by proposed restaurant area.
- Finding 17 refers to revenue generated by the 99 year lease will offset the City purchased price of property.

MS VELARDE asked on Finding 17 if the Commission be opened to changing the wording from 99 year lease to Ground Lease.

MR MCCORKLE responded certainly, so it would be the lease term that has a possibility of changing not the amount of money.

MS VELARDE replied some of the points change, but it might not make sense to have in the findings.

MR STROZIER asked if the staff could elaborate on the opportunities for the audience to have a better understanding.

MS VELARDE stated with the MR funding it is more flexible than other portions of our funding, this type of revenue will enable the MRA to continue the mission to remove blight in our areas.

MR STORIZER asked that it would not be tied to this particular MR area, but could be used any and other MR areas within the City.

MS VELARDE responded that is his understanding, but will need to defer to John Dubois.

MR DUBOID replied that is correct it can be used in other areas

MR STROZIER responded he just wanted to make sure we were clear.

MR HYER said so it is essentially a source of revenue for MR.  
MR HYER continued with

- Finding 18 refers to Anthea having required financial commitment letters that are required in the RP.
- Finding 19 recognizes that the Anthea principle has committed a large amount of equity to the project and is financially strong.
- Finding 20 refers to the States Metropolitan Redevelopment Code which gives this commission the power to make the selection and the MRA Staff to follow up with the development agreement.

Any further questions will be deferred to MR DUBOIS.

MR STOZIER asked if the proposal would not have substantial changes without seeking City Council approval so any changes would go back to Council and not the Commission.

MR DUBOIS replied correct.

MS VELARDE clarified it would be major game changes, minor changes would be with the MR curve based on the MR Code and MR Ordinance.

MR STROZIER said that the Commission understands that the Staff flexibility and it is not the Commission it is the City Council.

MR MCCORKLE stated that on Finding 19 he would prefer a numerical number rather than words like large amount or small amount.

MS VELARDE replied that the RFP required proposal financial risk in the RFP evaluation criteria for financial capacity in their proposal the Anthea principles have committed 1.6 million dollars of equity and are financially strong so we can state what was in the proposal.

MR MCCORKLE said it is up to each Commissioner to look at the 20 findings, if you have any sentence structure changes or any changes to the existing suggestions or if you want to delete or add a Finding of your own all of that is open.

NOW, THEREFORE BE IT RESOLVED THAT the ADC approved findings as amended.

MOVED BY COMMISSIONER STROZIER  
SECONDED BY COMMISSIONER MECHENBIER

MR MCCORKLE asked if there was discussion or further observations.

MR SILVERMAN said he thought the Findings were good and provided a good description as to why this is a good deal for the City of Albuquerque.

NOW, THEREFORE, BE IT RESOLVED THAT the ADC voted to approve Findings. Note that it was unanimous.

MS VELARDE stated that she and Chris will work on issuing a Notice of Decision by Friday this Notice of Decision starts the appeal period of 15 days based on the MR ordinance.

MR MCCORKEL referred to Finding 7, Mr. Dubois.

MR DUBOIS recommended that the Commission directs him to get with the City Council to see about repealing the Foreign Trade Zones Ordinance because it comes from a prior age and this Commission has not played any part in Foreign Trade Zones and it would take the Commission out from this obligation so that no one could say that the Commission was violating this Ordinance.

MR SILVERMAN asked if the Economic Development Department have a policy board.

MS DIEDRE FIRTH replied no there is no policy board other than the advice that we get on this commission.

MR SILVERMAN said he believes that it is important to keep the Foreign Trade Zone

MS FIRTH said that it came under Mayor Jim Baca, both the Albuquerque Development Commission and the Foreign Trade Zone were under the Offices of Economic Development. Now the MR is its own separate entity and the Development Commission is directly connected to that group the FTZ was spun off from the OED and Aviation Department.

MR SILVERMAN asked if it is just the existing zone given to the airport or is the airport now in charge of any future zone.

MS FIRTH replied right now the Aviation Department is the responsible party for FTZ and any sub zones or alternate site configuration.

MR SILVERMAN said that it makes sense to deal with GSA and Immigration and Customs.

MR MCCORKLE questioned if we did a FTZ in the north valley that would be under the jurisdiction of the airport.

MR SILVERMAN said he believes that is what he heard.

MS FIRTH replied yes that is correct there is a sub zone Oso Byo in the Jefferson Corridor used to be Cardinal Health right now looking at potential if it is feasible and whether the federal government would approve to have the entire county designated as a FTZ which has been done in other jurisdictions our FTZ has been used as a sub zone in Roswell.

MR MCCORKLE said he did not understand that they would have inherent authority over other proposed trade zones

MS FIRTH replied the Federal Government designates a management entity and the Aviation Department is the management entity.

MR SILVERMAN said it makes sense because they deal with GSA and Immigration.

MR MCCORKLE said it was his understanding that when it was created at the airport.

MR SILVERMAN said it has a defined geographic boundary when it is created as do the sub zones

MR MCCORCKLE said that he did not know that would give authority to subsequent FTZ coming in to existence.

MS FIRTH clarified if someone were to apply for a separate sub zone or alternate site then it would not fall in to the Aviation Department.

MR STROZIER asked if anyone know how many sub zones we have.

MR FIRTH replied there is the one here and the one in Roswell.

MR STROZIER stated that this is really important and is not sure asking the City Council to repeal it but a better approach to hear from the Aviation Department as to what is going on with the FTZ and sub zones would like to have a presentation from Aviation.

MS VELARDE said she thought that it would not be difficult to have Aviation come for a presentation.

MR MCCORCKLE stated he would like for the FTZ to be put on the next agenda for further discussion and conversation.

MR DUBOIS recommends that there should be more modern relevant language.

MS VELARDE said that she would coordinate with MS FIRTH and the Airport for a presentation for next month.

MR MCCORCKLE opened discussion for 15-2

MS FIRTH talked about a proposal from Risk Sans Inc. (cyber security) formally known as Canes for approval of project assistance \$75,000 for local Economic Development Act Project to finance portion cost that would help and expand current research and development headquarters in Albuquerque.

NOW, THEREFORE BE IT RESOLVED THAT THE ACD motioned for discussion.

MOVED BY COMMISSIONER SILVERMAN  
SECONDED BY COMMISSIONER MECHIENBIER

MC MCCORCKLE asked if Mr. Fidel had anything to add

MR MARK FIDEL stated that he was the President of the Company which is affiliated with NM TECH University Park Corporation. The point of the act is to take intellectual property from research University and move it in to the private sector will be a Delaware C Corporation and hire college graduates as interns.

MR SILVERMAN asked at what degree level are they hiring from and how many are they hiring local.

MR FIDEL replied the labor base is in page 5 of the packet outlined 30 positions and all are trained in security principles. Confident 26 can be hired in NM, education at minimal Bachelor's Degree.

MR MECHENBIER asked if they had any leased employees and if they have work sub-contractors.

MR FIDEL replied no all employees are W-2 employees but also go through hiring and staffing firm, Robert Haft Technologies as temporary until they can be hired full time.

MR MECHENBIER asked what the intent and motive in incorporated to Delaware.

MR FIDEL responded the laws in Delaware are favorable to a variety of things favorable to us. We would like to build and grow the company as quickly as we can.

MR MECHENBIER asked who put up the money for this.

MR FIDEL responded my business partner Dr. Machanala Senior Researcher Scientist at NM TECH is why we are here.

MR MECHENBIER asked if these funds are granted how long would this stall employment increase.

MR FIDEL replied it would be about one year and a half impact to hiring plans. Not in the market for a building but for more space will estimate 72 employees by the end of this year.

MR MECHENBIER asked where the location is.

MR FIDEL responded 4200 Osuna, it was the Cardinal Health Call Center.

MR MECHENBIER asked if they were comfortable with the 60% growth rate.

MR FIDEL replied yes the market is a national and international basis.

MR MECHENBIER asked how big the global market.

MR FIDEL responded 7 billion.

MS FIRTH stated 15-2 would make position contributions to the local economy and community Finding 3 the subject to final development and submission of Letter of Credit 15-2 would comply with adopted City and policies and meet community economic priorities and objectives. Finding 4 subject to submission of the letter for credit 15-2 would adequately meet the evaluation criteria established by the City including the requirement that the City would recoup its investment within 10 years.

MCCORKEL stated let the record note that is the findings on which the Commission acted.

MS FIRTH reported the City Council voted full approval on The NM Food Producers Leader Project.

Adjourn To May 19, 2015 Meeting  
The meeting was adjourned at 3:15 p.m.



**a. Central & Alcazar**

MR GABE RIVERA updated that the developer for the property on Central and Alcazar, Victor Limary, received a 1<sup>st</sup> letter of default in November and will soon receive a 2<sup>nd</sup> 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 1<sup>st</sup> 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 approval.

MOVED BY COMMISSIONER SILVERMAN  
SECONDED BY COMMISSIONER TRUSSELL

**6. Adjourn to March 19, 2015**

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