

SANTA FE RAILYARD COMMUNITY CORPORATION

Board of Directors' Meeting

Tuesday, June 12th, 2018, 5:00 – 7:00pm

Community Room, Santa Fe Public Library (Downtown Branch), Santa Fe, NM

Attending: Board Members: Jacques Paisner (Vice President), Lleta Scoggins (Treasurer), Ellen Bradbury (Secretary), Chris Calvert, Bob Dunn, Ouida MacGregor, Ron Pacheco, Devon Ross, Patrick Varela, Dave Vlaming and Tony Sawtell (Attorney to the Board)

Also Attending: SFRCC: Richard Czoski (Executive Director), Scott Harrison (Office Manager – taking minutes) and Anita Martinez (Accountant)

Public: None

Call to Order: The meeting was called to order at approximately 5:01pm by Jacques Paisner.

Approval of Agenda: The agenda was unanimously approved, motion by Chris Calvert, 2nd by Ellen Bradbury.

Approval of Meeting Minutes: The Board meeting minutes of 5/8/18 were unanimously approved, motion by Chris Calvert, 2nd by Ouida MacGregor.

Public Comments:

- None

New Business:

- SFRCC will make a presentation to Councilor Vigil Coppler on June 19, 2018 at 2:00pm.
 - Ron Pacheco and Bob Dunn will attend.
 - In terms of introductory meetings/presentations, only Councilor Abeyta and Mayor Webber remain.

Executive Session

Dave Vlaming made a motion to enter Executive Session at 5:05pm, 2nd by Lleta Scoggins.

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.

Dave Vlaming made a motion to return to regular session at 5:40pm, 2nd by Bob Dunn.

Return to Regular Session

Patrick Varela made a motion to approve assignment of the Parcel P ground lease from Red Engine Santa Fe, LLC to Railyard Studio Partners, LLC, 2nd by Ouida MacGregor. The motion was unanimously approved.

Chris Calvert made a motion to grant Richard Czoski the authority to consent to settlement on behalf of SFRCC at the Century Bank lawsuit mediation, 2nd by Devon Ross. The motion was unanimously approved. The authority will be granted via corporate resolution.

Financial Report:

DRAFT APRIL 2018 FINANCIALS

- As of June 12, 2018 SFRCC's cash position is approximately \$299K.
- Budget to Actual
 - There are no significant variances to report.
- Cash Based Financial Report
 - Income
 - o Total Income is approximately \$46K above plan YTD.
 - Expenses
 - o #6300 (Payroll) is approximately \$15K under budget YTD primarily due to no new Events assistant being hired.
 - o #6492 (NRY Properties) is approximately \$20K over budget YTD primarily due to the substantial unanticipated tree-trimming and sidewalk repairs.
 - o Total Expenses are approximately \$12K below plan YTD.
 - Net Operating Income after debt service is approximately \$59K above plan YTD.
- Payments to the City
 - Total paid in FY 2017/18 is: \$753,083.22
 - FY 2018/19 Payments to the City
 - o \$7,076.00 (Due 10/1/18)
 - o \$63,218.03 (Due 11/1/18)
 - o \$45,762.00 (Due 4/1/19)
 - o \$786,393.01 (Due 5/1/19)
 - o \$902,449.04 TOTAL for the FY
- Review and approve 2018/19 Operating Budget
 - Revenue
 - o Rental income is projected to increase by approximately \$109K due to new leases. The budget assumes all Railyard parcels leased except Parcel B-1.
 - o Events Income is budgeted conservatively, approximately \$14K less than the projected actual for FY 2017/18.
 - o Total Revenue is budgeted approximately \$84K (5.6%) more than the projected actual for FY 2017/18.
 - Expenses
 - o Payroll reflects an increase of approximately \$23,000 primarily due to increases in workman's comp and health insurance.
 - o NRY CAM reflects an increase of approximately \$27K. SFRCC is in the process of determining the impact of waste removal with the addition of the Railyard Flats apartments and other anticipated occupancy.

- Capital Expenditures reflect a decrease of approximately \$21K. SFRCC will pay for a new transformer in the Baca area in the current fiscal year. This is a one-time expense.
 - Total Operating Expenses are approximately \$40K (5.6%) higher.
- Debt service will increase approximately \$149K (20%) to \$902,000.
- Per the Proforma, with the April, 2019 rent payment to the City, SFRCC may have a one-month negative cash balance in April of 2019.
 - SFRCC may need to take a line of credit or a loan to meet financial obligations for that month.
 - The balance is projected to be positive, \$29K, the following month and increase for the remainder of the fiscal year.
- Proforma
 - At year end FY 2017/18, SFRCC will have approximately \$242K to carry over into the next fiscal year.
 - Over next 3 years SFRCC will carry over a positive cash balance into the following fiscal year.
 - SFRCC’s cash position decreases to \$91K at the end of FY 2018/19 and to \$56K at the end of FY 2019/20.
 - SFRCC will have a more consistent income stream once all the parcels are leased. The only major variable will be the CPI. There will be four reappraisals in the coming year but no additional reappraisals after that until 2024.
 - Richard has taken a very conservative fiscal approach with respect to the Proforma.
- Ouida MacGregor made a motion to approve the 2018/19 Operating Budget, 2nd by Ron Pacheco. The motion was unanimously approved.
- Violet Crown Parking Cumulative Total
 - Violet Crown parking cumulative total as of 4/30/18: \$460,571 (estimated).
 - Meetings are being held with the City Parking Division to move toward more accurate accounting.

The draft April 2018 Financials were accepted.

Executive Director’s Report:

PUBLIC USE

- The Interplanetary Festival was very successful. Attendance at the Thursday night concert was approximately 5,000.
 - Ron Pacheco stated that the Railyard Plaza area was in need of cleanup after the weekend of events, when he passed by at noon on Sunday. Richard stated that he will inform Sandy.

COMPLETION OF RAILYARD PROJECTS

- Completion of Railyard Projects
 - Trailhead Terraces, LLC
 - SFRCC technically must revisit demolition of the metal shed, even though it will be repurposed.
 - SFRCC must obtain City Council approval for the new development plan.
 - Richard is waiting for guidance from the City on whether the project needs to go before Planning Commission and timing.
 - The project, which has been approved by the Architectural Design Review Committee, will be done in two phases.
 - Railyard Flats update
 - The Grand opening was May 17th.
 - Railyard Flats is 100% leased and 80% occupied.
 - Richard reviewed the demographics of the tenants.
 - Chris asked if there is information available on where the tenants lived prior to Railyard Flats. It would be helpful to know if the project is creating vacancies in the Santa Fe rental market. Richard will see if he can procure those numbers.
 - Alvord School project
 - The project goes to City Council on June 13, 2018.
 - B-1 Parking Lot
 - The lot should be paved Friday.
 - Parking Signage
 - Final comments have been sent to Surroundings.
 - SFRCC will meet with the City Parking Director to review the plans and proposal.

Next Board Meeting: Tuesday, July 10th, 2018, 5:00-7:00pm - Location: Santa Fe Public Library, Downtown Branch, 145 Washington Ave.

Being no further requests for business, Dave Vlaming motioned to adjourn, 2nd by Chris Calvert and the meeting was adjourned at 6:15pm.

Respectfully submitted,
Scott Harrison, Office Manager