



SMART REAL ESTATE AND PROJECT DEVELOPMENT COMMITTEE AGENDA

April 5, 2006
10:00 AM - NOON

Santa Rosa City Council Chambers
100 Santa Rosa Avenue
Santa Rosa, CA

- I. Call to Order**
- II. Approval March 1, 2006 Minutes****
- III. Comments from the Public on Non-Agenda Items**
- IV. Update on On-Going Real Estate Issues - Lucrecia Milla**
- V. Railroad Square Proposal Overview*- John Nemeth**
- VI. Gap Closure Update- John Nemetha/Mike Strider**
- VII. Santa Rosa Cannery Railroad Square Easement Overview*-Lucrecia Milla/ Santa Rosa Cannery, LLC.**
- VIII. Closed Session**
 - a. Closed Session: Conference with Real Property Negotiator (Govt. Code. Section 54956.8)

Property: Northwestern Pacific Railroad (NWP) Right-of-Way from NWP Milepost 53.8 in Santa Rosa, Sonoma County.

District Negotiator: Lillian Hames, General Manager

Negotiating Parties: Santa Rosa Cannery LLC
Owner: SMART District
 - b. Closed Session: Pending Litigation (Govt. Code, section 54956.9, subd. (a))

Frances Wilson v. SMART, et al. Marin County Superior Court, Case # CV-060059.
 - c. Closed Session: Conference with Legal Counsel-Anticipated Litigation.

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9 Marin Audubon Society v. SMART, File# 2708-1

d. Closed Session: Conference with Real Property Negotiator (Govt. Code. Section 54956.8)

Property: Northwestern Pacific Railroad (NWP) Right-of-Way from NWP Milepost 5H 25.92 in Novato, Marin County.

District Negotiator: Lillian Hames, General Manager

Negotiating Parties: Novato Sanitary District
Owner: SMART District

e. Closed Session: Conference with Legal Counsel-Anticipated Litigation.

Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9
Anna Carissa Suarez v. SMART, et al.

f. Closed Session: Pending Litigation (Govt. Code, section 54956.9, subd. (a))

Jerico Products, Inc. v. SMART, United States District Court, Case # CV-00210 (JSW).

VIII. Next Meeting Date: May 3, 2006, 10:00 am, San Rafael City Council Chambers

VIX. Adjourn

DISABLED ACCOMMODATION: if you have a disability that requires the agenda materials to be in an alternate format or that requires an interpreter or other person to assist you while attending this meeting, please contact SMART at least 72 hours prior to the meeting to ensure arrangements for accommodation.

* Information will be provided at the meeting, ** Information attached.



**MINUTES OF SMART REAL ESTATE & PROJECT
DEVELOPMENT COMMITTEE MEETING**

March 1, 2006

**San Rafael City Council Chambers
City Hall, 1400 Fifth Street
San Rafael, CA**

I. Call to Order

Chairman Kerns brought the meeting to order. The following committee members were present: Jim Eddie and Charles McGlashan. Deborah Fudge and Al Boro were absent.

II. Approval February 1, 2006 Minutes

Motion was made to approve the February 1, 2006 minutes by Director Eddie and seconded by Director McGlashan.

III. Comments from the Public on the Non-Agenda Items

Chairman Kerns asked for public comments. Mayor Jane Bender and Councilwoman Janet Condrón of Santa Rosa asked to address the Committee. Mayor Bender asked if a lease could be worked out with SMART and the City for temporary parking spaces during the Caltrans widening of Highway 101 from 12 to Steele Lane. Councilwoman Condrón wanted to reiterate the City's support for the SMART Railroad Square TOD Project. The City was interested in the mixed use housing and transportation components; however felt that there should also be a focus on retail and commercial development. She noted that the City recently completed an affordable housing project that added 4,000 units for East Santa Rosa. She indicated that the City was flexible and welcomed all the different aspects the project, however she felt SMART should know about the City's other housing efforts. Chair Kerns stated the Board looks forward to working with the City and moving this project forward.

Director McGlashan asked if staff could work with Dianne Steinhauser of TAM regarding the 101 GAP Closure Project. He encouraged staff to be creative in working out the remaining bike/ped path issues. Ms. Hames said there would be a meeting with TAM this afternoon to discuss the 101 GAP Closure. Ms. Hames noted that without relocating the soundwall the opportunities for a high quality pathway were diminished due to SMART's need to maintain the operating safety envelope. However, staff would work with TAM to determine if the pathway could be accommodated. She said staff will come back in April to give a presentation to the Real Committee on this issue..

IV. Update on On-Going Real Estate Issues

Lucrecia Milla indicated staff was meeting with FEMA to discuss the possibility of receiving assistance for the storm damage that occurred at the end of the year. She

also said that Staff had a tentative closing date of March 17, 2006 for the GGBHTD right of way transfer.

V. Caulfield Lane Crossing, Petaluma

Ms. Hames gave an update on the Caulfield Lane crossing issue. Ms. Hames was directed to send a letter to PUC on SMART's concerns and had received a response back from PUC which stated that SMART's concerns were noted. The final ruling maintained the City's responsibility to submit a new crossing application to the PUC prior to the start up of passenger rail service. In addition to a new application, the City would also be responsible for providing environmental clearance for the crossing. Director McGlashan thanked staff for their work on this issue.

VI. Update on Santa Rosa Rail Road Square

John Nemeth gave an update on the Railroad Square development project. The proposals are due to SMART by March 24, 2006 and once received staff would be distributing them to the selection committee members, city staff and the public. Staff will be reviewing the proposals with and presenting a general overview to the Real Estate Committee and SMART Board. A final recommendation was still anticipated for a June, 2006 Board action. Once the selection committee and SMART Board approved the recommendation, an exclusive negotiating agreement would be pursued.

The committee then discussed when and how public presentations of the three proposals would be made. Director McGlashan stated he would like to get the developers presentation and the staff review at the same time. John Nemeth noted that a full review of the financial proposals might take more time. The committee wanted to have sufficient time for an evening presentation of all three proposals with public comment. Mr. Greg Dion stated the meeting needed to be public but that there could be a time limit on the proposal presentations as well as public comments so that it could be an evening meeting.

Chair Kerns asked for public comments. Mr. Willard Richards of Santa Rosa endorsed Director McGlashan's recommendation in having a limited public comment time at the same time presentations were made by the developers. Ms. Hames noted that scheduling a meeting venue should commence quickly to be able to meet near the Railroad Square area.

Chair Kerns summarized the discussion with the recommendation to have the three proposal teams present to the selection committee and public for 45-50 minutes each, while allowing for public comments with time limitations. He noted it was the Committee's intention to hold an evening meeting to start at 6:00 p.m. A second meeting would be scheduled to cover the staff recommendations, with a third meeting scheduled for the Committee's deliberations. Mr. Nemeth stated he would contact the appropriate participants to begin scheduling the proposed meetings.

VII. Closed Session

Mr. Dion reported out on closed session. On Item (a) regarding property negotiations, direction was given to staff to begin negotiations with City of Santa Rosa to enter into a

short term parking lease and item (b) regarding the pending litigations with Frances Wilson vs. SMART, direction was provided to staff.

VIII. Adjournment

The meeting adjourned at 11:40 a.m.

Next Meeting Date: April 5, 2006, 10:00 a.m., Santa Rosa City Council Chambers