



Economic Development Advisory Committee

August 9, 2017



Agenda

CITY CLERK'S OFFICE

DATE 8/2/17 TIME 12:00

SERVED BY Fabian Trujillo

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Economic Development Advisory Committee

Market Station at the Railyard
500 Market Station, Suite 200

Wednesday, August 9, 2017
11:00 AM – 1:00 PM

I. PROCEDURES

- A. Roll Call
- B. Approval of Minutes
 - 1. July 12, 2017
- C. Approval of Agenda
- D. Approval of Consent Agenda

III. CONSENT AGENDA (None)

IV. INFORMATIONAL ITEMS

- A. Project Agora – Entrepreneurial Co-working Space – Adam Shaening-Pokrasso
- B. Market Intelligence Solutions: "Office of Economic Development Data Project" – Grace Brill
- C. Santa Fe University of Art and Design Update – Councilor Michael Harris
- D. City of Santa Fe Economic Development Fund: Revenue Stream Supporting Economic Development – Matt Brown/Fabian Trujillo

V. ACTION ITEMS (None)

VI. ITEMS FROM THE COMMITTEE

VII. ITEMS FROM STAFF

VIII. ITEMS FROM THE CHAIR

IX. ITEMS FROM THE PUBLIC

X. NEXT MEETING DATE – September 13, 2017

Persons with disabilities in need of accommodation, contact the City Clerk's office at 955-6520, five (5) working days prior to meeting date.

Minutes

**SUMMARY OF ACTION
ECONOMIC DEVELOPMENT ADVISORY COMMITTEE
MARKET STATION AT THE RAILYARD
500 MARKET STATION, SUITE 200
WEDNESDAY, JULY 12, 2017 11:00 AM**

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FOR REVIEW AND APPROVAL OF THE MEOW WOLF LOCAL ECONOMIC DEVELOPMENT PROJECT	APPROVED	8-12
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AN ORDINANCE RELATING TO THE CITY OF SANTA FE ECONOMIC DEVELOPMENT PLAN ORDINANCE ARTICLE 11-11 SFCC 1987; APPROVING AND ADOPTING A LOCAL ECONOMIC DEVELOPMENT PROJECT PARTICIPATION AGREEMENT BETWEEN THE CITY OF SANTA FE AND MEOW WOLF, INC. FOR ACQUISITION AND EXPANSION OF A NEW PRODUCTION AND CULTURAL FACILITY, A LOCAL ECONOMIC DEVELOPMENT PROJECT.	APPROVED	
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REQUEST FOR APPROVAL OF LOCAL ECONOMIC DEVELOPMENT PROJECT PARTICIPATION AGREEMENT BETWEEN THE CITY OF SANTA FE AND MEOW WOLF FOR EXPANSION OF ITS FACILITIES AND TO IMPROVE OR CONSTRUCT INFRASTRUCTURE NECESSARY TO THE FACILITY LOCATED AT 2600 CAMINO ESTRADA, SANTA FE, NM	APPROVED	
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REQUEST FOR APPROVAL OF INTERGOVERNMENTAL AGREEMENT BETWEEN THE NEW MEXICO ECONOMIC DEVELOPMENT DEPARTMENT AND THE CITY OF SANTA FE, NEW MEXICO FOR THE PURPOSE OF FACILITATION THE DISBURSEMENT OF FUNDS FOR THE MEOW WOLF LOCAL ECONOMIC DEVELOPMENT PROJECT.

APPROVED

REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT IN THE AMOUNT OF \$550,000

APPROVED

INFORMATIONAL ITEMS

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ITEMS FROM THE COMMITTEE	INFORMATION/DISCUSSION	13-15
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ITEMS FROM THE CHAIR	INFORMATION/DISCUSSION	15
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**ECONOMIC DEVELOPMENT ADVISORY COMMITTEE
MARKET STATION AT THE RAILYARD
500 MARKET STATION, SUITE 200
WEDNESDAY, JULY 12, 2017 11:00 AM**

I. PROCEDURES

CALL TO ORDER

The meeting of the Economic Development Advisory Committee was called to order by Councilor Michael Harris, Chair, at 11:00 am, on Wednesday, July 12, 2017, at Market Station at the Railyard, 500 Market Station, Suite 200, Santa Fe, New Mexico.

A. ROLL CALL

MEMBERS PRESENT

Councilor Michael Harris, Chair
Holly Bradshaw-Eakes, Vice Chair
Camilla Bustamante
John Feins
Chuck Higgins
Kate Kennedy
Doug Orr, arrived later
Lisa Alejandro
(Vacancy)

MEMBERS ABSENT

Kim Kelly

OTHERS PRESENT

Matt Brown, Economic Development Director, City of Santa Fe
Fabian Trujillo, Economic Development, City of Santa Fe
Simon Brackley, Santa Fe Chamber of Commerce
Ross Chaney, Economic Development, City of Santa FE
Ryan Eustice, Economic Development, State of NM
Adam Shaening-Pokrasso, Santa Fe Network
Jim Gollin, Santa Fe Network
Lee Zlotoff, Santa Fe Network
Deborah Potter, Santa Fe Film and Digital Media Commission
Vince Kadlubek, Meow Wolf
Damien Taggart, Meow Wolf

Jilanne Spitzmiller, Santa Fe Network
Anna Darrah, Santa Fe Network
Michael Becker, Santa Fe Network
Jody Larson, League of Women Voters
Peter Dodds, SCORE
Bob Gallatin, SCORE
Katie Updike
Elizabeth Martin, Stenographer

B. APPROVAL OF MINUTES, JUNE 14, 2017

MOTION A motion was made by Mr. Higgins, seconded by Mr. Feins, to approve the minutes as presented.

VOTE The motion passed unanimously by voice vote.

C. APPROVAL OF AGENDA

Mr. Trujillo said the item under the Consent Agenda, item D 1, needs to be moved under Action Items and the item under Action Items, item 4 B, needs to be moved under Consent Agenda.

Chair Harris said we will consider the network first under Action Items, then Meow Wolf.

MOTION A motion was made by Mr. Feins, seconded by Mr. Alejandro, to approve the agenda as amended.

VOTE The motion passed unanimously by voice vote.

D. APPROVAL OF CONSENT AGENDA

II. CONSENT AGENDA

**REQUEST FOR REVIEW AND APPROVAL OF 2 CONTRACT RENEWALS
FOR THE FY-2017-2018 ECONOMIC DEVELOPMENT PORTFOLIO AS AWARDED
THROUGH RFP TO PROVIDE WORKFORCE DEVELOPMENT,
ENTREPRENEURIAL ACCELERATION, AND OTHER SUPPORT FOR BUSINESS
DEVELOPMENT IN SANTA FE FOR A TOTAL FUNDING AMOUNT OF \$205,000 AS
IDENTIFIED BELOW**

1. PROFESSIONAL SERVICES AGREEMENT, AMENDMENT NO. 1

- YOUTH WORKS, RFP 16/37/P

**2. PROFESSIONAL SERVICES AGREEMENT, AMENDMENT NO. 2
- SCORE RFP 15/38/P**

MOTION A motion was made by Ms. Bustamante, seconded by Ms. Bradshaw-Eakes, to approve the Consent Agenda.

VOTE The motion passed unanimously by voice vote.

III. DISCUSSION ITEMS

A. LEDA PROCESS, HOW IT WORKS

Mr. Trujillo introduced Mr. Eustace and they reviewed the information given in the packets.

Chair Harris asked how much State LEDA funds have been put into Santa Fe County over the last 5 years.

Mr. Eustice said over the last 3 years there have been 5 expansions, one of which is being considered today. Between \$1 million and \$2 million has gone to Santa Fe. The funds are \$50 million. We have \$14 million to \$15 million tied up so we have \$36 million left. The way the Legislature left us is that a lot of the money is in bonds rather than general funds so it has to be spent on bricks and mortar now.

Chair Harris said thank you.

Mr. Trujillo said the City has LEDA money as well. We follow the same guidelines and work closely with the State. There is an application process and the requirements are the same as with the State. It is a public process. The applicant has to have a sponsor from the Governing Body. Economic Development makes the recommendation to the Mayor and the Governing Body and they have to introduce the measure.

Ms. Bradshaw-Eakes asked what kinds of projects have been done independent from the State.

Mr. Trujillo said quite a few. The Santa Fe Business Incubator was the first. The Farmers Market, Warehouse 21 and others have received funds as well. The funds are used for land, building and infrastructure .

Ms. Bradshaw-Eakes said the COGs have gotten together and started the

ristraproject .org. You can find the State LEDA projects going on right now on that site. Does the City have anything like that.

Mr. Trujillo said we can put that on the website.

Mr. Ross said that is in the works.

Mr. Higgins asked the funding decisions for the State go to the Secretary with consultation with the Governor. Is there good cooperation.

Mr. Eustice said very much so. The Secretary gives his stamp of approval or not from the staff recommendation. Then it goes to the Governor.

Mr. Higgins asked has it ever been rejected.

Mr. Eustice said no. We pride ourselves on due diligence.

Chair Harris said thank you for the overview.

IV. ACTION ITEMS

A. REQUEST FOR APPROVAL OF A RESOLUTION DIRECTING THE CITY MANAGER TO IDENTIFY POTENTIAL FUNDING SOURCES TO SUPPORT THE WORK OF INDUSTRY STAKEHOLDERS TO DEVELOP THE "SANTA FE NETWORK.tv.

Chair Harris said we provided a month of time to invite colleagues and friends from the Santa Fe Network to do a presentation and answer questions.

Mr. Zlotoff said he will try to be brief. He would like you to hear from other members of the Santa Fe Network. He has lived here 2 ½ years. He is thrilled to see Meow Wolf here today. They are a perfect example of the daring and unconventional with huge success. We want to follow in their shoes. We want to create a form of Netflix, or Hulu but with all Santa Fe, New Mexico based entertainment. The content will be created here by people here or other people. We will use that as a nexus and platform for materials about Santa Fe and to support all the amazing institutions that Santa Fe has, all of whom are trying to market individually together. The Santa Fe Opera, the International Folk Art Market, Meow Wolf, the Santa Fe Institute and others all together on one platform. They drive audiences to us and we in turn drive audiences back to them. There are extraordinary resources here to market. They do not coalesce yet. We use the garden hose analogy. We are all here with our individual garden hoses trying to put out a fire when we would be so much more effective together. Our time

investment is \$100,000 of human time. We have launched this network with less than \$2,500 in cash. We launched last night.

Mr. Shaening-Pokrasso said thank you for hearing this and being open to supporting this. We are a nonprofit and have boot strapped this on very little. The partners have signed on as supporters of this. Lee mentioned them. It is important to convey that this is a central gathering of resources. We will be a media driven force for Tourism and Economic Development. Through this effort we hope to not only draw attention to key stakeholders but also to the story tellers and makers of the content. It will be a chance for young, upcoming film makers, established creators and producers who are finding their work out of State. The distinction is not about our borders or definitions. We see this as something that supports our State at large. Santa Fe is in the brand. This will be a portal or gateway of a successful industry already thriving. It is an opportunity to move some of that attention to creative above the line talent.

Mr. Gollin said he would like to address the scale of the industry in Santa Fe. It went from \$30 million to \$125 million last year. This year we are on track for \$125 million. The film and digital media industry has a \$375 million impact in this town. We care about it. It is very different for our economy when there is a Hollywood film coming in and leave, but what is great is when local creators form an idea, get the capital and spend that money here. They are buying homes and cars and paying taxes. This is an attempt to help the local industry fulfill their dreams and make good jobs and good careers here.

Anna Darrah introduced herself as President of the Santa Fe Network and an alternate Commissioner with the Santa Fe Film and Digital Media Commission. She wanted to bring the financial side in. We have a real thing happening here. If you get on line now you can see the Santa Fe Network. It is up and running. Now we have to keep the attention focused. We are already receiving submissions of films and other items for the Network. We have an infrastructure that works long term. We are here to find a way to keep this sustainable over years. There will be minimal salaries to each of us. We are all successful in the industry. But there are lots of little pieces to pay for. By the end of the first year we hope to shift to a model where all funding is coming from outside sources. We have a subscription model and a production model. As people see what is on the channel it will help people make something for the channel. We will take 10% or 12 % of that for Network. We want to be economically sustainable on our own.

Chair Harris said he appreciates very much what you folks have been doing. There have been a lot of conversations about this and your kick off happened. Congratulations. Is it necessary to develop a relationship with IATSE 480 and the below the line folks.

Mr. Zlotoff said yes, most of the productions we will do fall well below the standards that are necessary to support full Union jobs. We hope to bring emerging

young people up through a program that will teach them. We anticipate engaging the Union in training. They will provide mentors to the young people on the set. Doug Acton is with the Union and involved in all the conversations about the Network. He is also a Commissioner on the Santa Fe Film and Digital Media Commission. There are people in the Union who have aspirations to become producers and directors who can make something for the Network and say they produced this or created this as a credit on their work resumes. They will not be trapped in being below the line. Those opportunities are numerous here.

Chair Harris said we all know the film industry is very successful in many levels in town. We know people involved in the business. He is glad to hear that the Network is involved with the Union. They are critical to your success.

Mr. Feins said Santa Fe is striking and we have content in Santa Fe everywhere you turn your head. He is excited about stories being told and they will be attractive to all kinds of audiences. It is hard work. There is a lot to do to get yourselves before people. You have a marketing budget that is modest at \$24,000 for a year. What are your thoughts about how you will use this.

Ms. Darrah said we are working on a lot of ideas and thinking outside the box on this. We had 300 people at our launch and that was by Facebook only. People are excited. We are getting submissions. We are working with Channel 28 and shot a piece for Joe Abeyta. He is waiting for content. We will put our byline on things we do. We are building ideas daily. Partners will continue to grow. IAIA is a partner and is working with us and we are talking to the Community College and Currents. There are lots more to work with. Every time we expand the partnership we expand their outreach.

Mr. Zlotoff said we have a 3 tiered structure to our marketing approach. Tourism gets 1 ½ million visits a year. If you add up the aggregate of all of the partners that is 2 to 3 million hits a year of all of those organizations. Even if we only get a 5% conversion rate and they click on the individual symbols that is 50,000 to 60,000 site visits right there. Social media marketing is very effective. Adam and Michael have great experience with that. The bottom line is the more we can put up interesting, different and cool pieces of content sooner or later one will go viral and is going to spark and then there will be millions or tens of millions of hits. He has no idea what that will be but he knows it will happen.

Mr. Shaening-Pokrasso said to the budget yes, it is modest and seems hard to imagine. The cost of getting out people last night was \$40 in Facebook dues. The nature of this thing is not a traditional marketing approach. We have no plans to do print. This will be built around ambassadorship. We will use the budget to facilitate Facebook boosts, meetings we are required to have and to get relationships humming. We are casting a wide net and making it possible for lots of interesting stories in one network.

Mr. Feins said you have good ideas. He encouraged the Network to find ways to find tourists and have them take the media Network with them when they leave town. They don't like to leave once they get here. Get the information in front of them and share it. Play the public relations card as much as you can. Earned media.

Ms. Kennedy said on your budget, on your 2 year model, it shows \$105,000 in kind donations and grants of \$35,000. What are you including and who will be doing the work.

Mr. Gollin said the in kind is the people who built the website who did it for nothing and all of us giving our time. Already we have put in \$105,000 in kind. We do need cash for paying an accountant, lawyer and copyright work. We cannot continue to rely on the good will of the members of the Commission who are supportive but we will get as much done for free as we can. Regarding foundations, he is on the board of a number of them and we are in discussion with them. We have not applied yet but we can. We have a bare bones staff with zero salary. Writing the grants will be us with the help of some others with experience.

Mr. Zlotoff said also the New Mexico Film Office has a number of programs we would qualify for. They have said they would love for us to apply. They said they would like to put us on the list for grants. The grants would be from them. The FCAT program is funded with \$2 million. There is a film advancement crew program. We can work with that and move people up in crew positions. That fund, with the incentive, will help productions with 50% of their expense of the crew. We are looking forward to using those opportunities.

Chair Harris said thank you. He wants to clarify something. What is proposed is \$25,000 from lodgers tax. He spoke to Randy Randall and has 2 statements from him in support of this effort. He said can support this industry driven effort. After speaking with Mr. Zlotoff this would be an added value for hotels and short term rentals and that is what the lodgers tax is all about. He is very much in favor of this. Also there is a proposal for \$20,000 from the Economic Development Fund.

Mr. Trujillo said in New Mexico through the film study report done in 2015 we see that there was \$513.9 million in film expenditures generated. Of that 12.6 % came to Santa Fe or \$64.8 million. 73% to 74 % went to Albuquerque and 18% Northern New Mexico. If we could support this project it would increase the whole pie and our share of the pie. There will be a good economic development impact for using these monies for this project. We think it is justifiable to use the \$20,000 from Economic Development Fund.

Chair Harris said he read the title of this Resolution. He would have proposed an amendment to this Resolution on the title. The City Manager does not really have to identify funding. That has been identified. He will propose an amendment to the title for Finance Committee. We will identify the 2 sources of funding and ask for approval.

Ms. Bustamante asked is there a way you want a motion to read.

Chair Harris said if you can craft one that is fine. Use the identified sources.

MOTION A motion was made by Ms. Bustamante, seconded by Mr. Feins, to approve the use of identified sources to support the Santa Fe Network.

VOTE The motion passed unanimously by voice vote.

Mr. Zlotoff thanked the Committee.

Ms. Bradshaw-Eakes said thank you . Last time she did not understand what this was. She appreciates all of you being here and shining a light on it.

Mr. Orr arrived at the meeting.

B. REQUEST FOR REVIEW AND APPROVAL OF THE MEOW WOLF LOCAL ECONOMIC DEVELOPMENT PROJECT

- 1. AN ORDINANCE RELATING TO THE CITY OF SANTA FE ECONOMIC DEVELOPMENT PLAN ORDINANCE, ARTICLE 11-11 SFCC 1987; APPROVING AND ADOPTING A LOCAL ECONOMIC DEVELOPMENT PROJECT PARTICIPATION AGREEMENT BETWEEN THE CITY OF SANTA FE AND MEOW WOLF, INC. FOR ACQUISITION AND EXPANSION OF A NEW PRODUCTION AND CULTURAL FACILITY, A LOCAL ECONOMIC DEVELOPMENT PROJECT.**
 - a. REQUEST FOR APPROVAL OF LOCAL ECONOMIC DEVELOPMENT PROJECT PARTICIPATION AGREEMENT BETWEEN THE CITY OF SANTA FE AND MEOW WOLF FOR EXPANSION OF ITS FACILITIES AND TO IMPROVE OR CONSTRUCT INFRASTRUCTURE NECESSARY TO THE FACILITY LOCATED AT 2600 CAMINO ESTRADA, SANTA FE, NM**
 - b. REQUEST FOR APPROVAL OF INTERGOVERNMENTAL AGREEMENT BETWEEN THE NEW MEXICO ECONOMIC DEVELOPMENT DEPARTMENT AND THE CITY OF SANTA FE, NEW MEXICO FOR THE PURPOSE OF FACILITATION THE DISBURSEMENT OF FUNDS FOR THE MEOW WOLF LOCAL ECONOMIC DEVELOPMENT PROJECT.**

c. REQUEST FOR APPROVAL OF BUDGET ADJUSTMENT IN THE AMOUNT OF \$550,000

Chair Harris outlined the action needed.

Mr. Feins recused himself from this discussion and vote and left the meeting.

Mr. Trujillo introduced the team of Matt Brown, Vince Kadlubek, Damien Taggart (a former member of this Committee) and Ryan Eustice. We all worked on this project together. We are asking you to invest in the future of the Santa Fe economy in their World Headquarters. This is one of the brightest locally owned businesses in Santa Fe. We believe they are going to become a regional and national leader. This will generate \$5.6 million in net revenues and benefits to Santa Fe and will diversify our economy and bolster Santa Fe's experimental economy. We support this locally grown business who is creating 250 to 300 career path jobs with this expansion. This will allow citizens to live and work in Santa Fe. It will help our children and grand children. As a 14th generation Santa Fean he believes in this project. This is the best project to come through in the 9 ½ years since he has been here. It is exciting to see this. It has the potential to bring back our young creatives. A neighbor informed him that her son came back to Santa Fe to work in Meow Wolf. He is taking care of his mom. This allows him to focus on his art by their presence here. We would be investing in and assisting a local, home grown company with the potential to become a national leader. Look at what they have done so far. Believe in them. They have the potential to reinvigorate the economy and unite the South and East and attract young people who want to stay or move back here.

Chair Harris said thank you Mr. Trujillo.

Mr. Kadlubek said thank you for hearing this. He was born and raised in Santa Fe and is the founder and CEO of Meow Wolf. It was founded in 2008 on 2nd Street. We were 20 somethings who wanted to make art. We were all born and raised here. We decided to start our own venue. Over the years we brought more and more young people on to make these crazy worlds in Santa Fe. We are trying to have an effect on Santa Fe to help us stay in the town we were born in and loved. After 6 years we saw an opportunity at a bowling alley that had been vacant for 7 years. We got inspired. It was our chance to do something in a real way. We took the idea to George RR Martin and presented our business plan and asked if he was willing to buy the building. He was. Damien Taggart is our Business Development Officer. We worked for 14 months and opened March of last year there. It is the first of its kind in the world. It is an immersive experience. We got 400,000 visits first the first year. George O'Keefe gets about 160,000 visits a year. We are the largest attraction in Santa Fe and in the top 3 in the State behind Carlsbad Caverns and White Sands. We are increasing in visits. Gross earnings for the first year were \$6.8 million. This 2nd year we are looking at \$8 million. We have 40% profit margins here in Santa Fe. We have gift shop with over 80

different artists represented. We have \$1 million a year in sales in the gift shop. Artists receive 30% of those profits. We have food and beverages with a food truck. We are trying to take it to the next level. We felt we had to work fast to market and move to a major market. Other cities wanted us to move there and be headquartered there. They have offered us major incentives to move. We looked at all the options. We talked to Ryan and Fabian and Ron Torres we found that LEDA funds allowed us to stay here. That is how we came into this process. We found a location for manufacturing and are looking to expand our emersive exhibits and traveling exhibits that will be moved around the world. We also have an entertainment and media arm. We have products such as animated shorts and documentaries. We also will have merchandising. We will have a brand, a creative brand like Marvel, and the ability to merchandise off of that brand. We want to house that in Santa Fe as much as possible.

Chair Harris said congratulations on all your success.

Ms. Bradshaw-Eakes asked your \$4 million, is all that all lined up.

Mr. Kadlubek said yes, it is lined up. We have a capital partner who has committed to financing the rest of the building and with the LEDA funds we can get that done with the down payment. Our partner is Southwest Capital.

Ms. Kennedy said she wants to disclose that she is a lifetime pass member of Meow Wolf. What is the percent of your manufactured goods that are exportable.

Mr. Kadlubek said we look at all of our products as exportable. We are not looking to do any more permanent exhibitions in New Mexico. Exhibits will be created here and transported to other locations. We will have traveling exhibits as well and merchandise. The entertainment piece will be produced here in Santa Fe then sent around the world.

Ms. Kennedy said the location you have selected was the old Catepillar plant and was the most successful exporter in Santa Fe until it closed. It is awesome that it is being taken over by someone who does exporting.

Chair Harris said your history over time with Economic Development when you look at what was done in creating those jobs and what was accomplished with Meow Wolf really is a success story. Tell that in detail so people can see what the City and State are trying to do. The budget adjustment is for \$500,000 why. Why is it not \$250,000.

Mr. Eustice said it is set up through a payment system to ensure the tax payer dollars are fully protected. Each payment is tied directly to employment numbers and milestones they need to hit.

Chair Harris said there are to be quarterly reports from this organization. What is your process for verifying jobs as permanent jobs.

Mr. Eustice said 32 hours per week are permanent jobs. There will be 250 JTIP eligible jobs. Job training incentive jobs. They will all meet that metric. They can go through that program and receive up to 50% reimbursement of the training during that time. Each job is manufacturing based. They will send up quarterly reports and will be reporting each position with social security numbers. Then those will be verified by us and the City.

Chair Harris said that is always a question that folks have. That is beneficial information.

Mr. Higgins said it is difficult to not say something really positive. He sees Meow Wolf as a big fat gift that landed in our lap and everything we can do to support them is everything we should do. He did it. There is a real desire to have other people experience this and export this talent. Remarkable.

Chair Harris said it is a collective at a certain level. They are a committed and creative and intelligent group of people. Everyone applauds your success and wishes you more.

Ms. Bustamante said she is excited. Job creation, the importance of jobs and development of general skills are diffusable into the community for other projects. She is extremely excited about a partnership with the Community College to have people qualified with these positions.

Mr. Orr asked what do you think are the main limitations to growth here.

Mr. Taggart said in Santa Fe the issue of having a fewer number of people with skill sets. That is the biggest difference with Austin or other markets. There is just more population.

Mr. Kadlubek said tech, development and entrepreneurial knowledge is lacking.

Mr. Taggart said it has been improving over the last 10 years as new programs have opened up. It is becoming less of an issue.

Mr. Eustice said when we as a State are competing against a City like Denver offering \$20 million, the State as a whole is unable to compete. Every community across the state would be jumping up and down if they were adding 250 manufacturing jobs to their community. We have received phone calls from developers looking to go to the same location as Meow Wolf. Emerging markets.

Mr. Kadlubek said one of the biggest issues for growth is housing for our employees. The housing market here is incredibly weak. They don't want to live 15 minutes outside of town or in Rio Rancho. The rental market quality is bad because of the lack of competition. We need more housing and we need it fast.

Ms. Alejandro asked are you capturing visitor data on a consistent basis. Information like are people coming to Santa Fe to specifically to visit Meow Wolf. How heavily does that weigh in their travel plans. Will your traveling exhibits pull from the installation in Santa Fe.

Mr. Kadlubek said we know some people are traveling just to visit Meow Wolf anecdotally. We hear it when people come through. 40% come from out of state right now. We anticipate that number to climb. We think the question of will our expansion pull from Santa Fe, our hope is that if the Austin installation reaches 1 ½ million visitors in a year they will find there is also one in Santa Fe and that will bring in people to Santa Fe. We anticipate our visitor number to stay intact and consistent. Bringing new tourists may get effected but it may be a positive.

Ms. Bradshaw-Eakes said that is a consideration for her but when you say traveling exhibits those will whet the appetite to come see the original. She wonders if there may be some spillover in to the property of Santa Fe University.

Chair Harris said maybe he will give an update on that soon.

Mr. Eustice said on their business plan if you look at sure numbers of 60% income from local people it bears out in their financial statements that it will remain so. The way their business is set up and run lends itself to that.

Mr. Kadlubek said they will be totally different experiences in other places. We will have a digital network that will capture all of the visitors. It creates an incentive to visit multiple locations. That is part of the business plan.

Chair Harris said just a bit of advice. Be very rigorous in your financial reporting and conservative in your business planning. Be disciplined in understanding the numbers. Expanding too soon can be tough.

MOTION A motion was made by Ms. Bustamante, seconded by Ms. Alejandro, to approve the requests in items B 1, a through c.

VOTE The motion passed unanimously by voice vote.

Mr. Kadlubek thanked the Committee.

Ms. Alejandro left the meeting.

V. INFORMATIONAL ITEMS

A. BUILDING SOLUTIONS: "COOPERATIVE FINANCING PLATFORM"

Ms. Updike said her report is in your packets. She reviewed her report.

Ms. Kennedy said she is so excited about this project. She recently went through a conversation with her business and Fabian. It is difficult to find funding for certain businesses. Nightclubs and those who serve alcohol or food. Do you anticipate any limitations on certain industries or alleviating those discussions.

Chair Harris asked whose job is it to take this cooperative financing to the next level and how do we keep it from being rolled into the discussion of a public bank.

Ms. Updike said there is no doing it. She wants to pull the group together to take it onward then it is up to them. Some of the business support groups may want to have a seat at the table. She does see the banks taking that forward. In the public bank discussion she did not encourage the City to do commercial lending unless or until the banks wanted it. This is one way the banks can pony up themselves with a private solutions for this.

Chair Harris said we will see what happens. Someone has to take ownership of this.

Ms. Updike said there are 2 players who may emerge. The CDFI model and the other player is Homewise. He wants to be an advisor. Mike Loftin was very encouraging.

Chair Harris thanked Ms. Updike.

VI. ITEMS FROM THE COMMITTEE

Mr. Higgins said we heard a year ago from Santa Fe Spirits and they received LEDA funding. Now they are having some difficulties. One issue is the requirement the City to do other things not associated with LEDA. A fair amount of landscaping around the property that in the next phase of growth will have to be pulled out is a requirement. It is causing them higher expenses. He is wondering if this Committee might look into some of the Ordinances that are contrary to growing a business especially when they receive LEDA funds.

Chair Harris said that is one of the things that is in our charge and that we are to

be looking at. He does think it is appropriate to look at.

Ms. Kennedy said that came up in the Second Street Brewing discussion as well. They said it was legal fees. We should be looking at that absolutely.

Chair Harris said he will have a conversation with Matt, Fabian and Ross to see how we might start. Fabian did some work on issues that we need to roll into the Ordinance. Chapter 14. We may look at that as well.

Ms. Bradshaw-Eakes said maybe when we have companies who receive LEDA funds check in with us down the road and let us know their experiences. If we lose Second Street Brewery that would be a huge loss to Santa Fe. Maybe we hear from them about how it is going and things we might look at to facilitate their success.

Mr. Trujillo said he is scheduled to speak to the Committee in September. That is part of the requirement of his participation agreement in LEDA.

Mr Orr asked what is their timeline for deciding something.

Ms. Bradshaw-Eakes said they have called in outside council.

Mr. Orr said someone should look at that

Chair Harris said he has known Collin for many years. He has talked to him as well. It is pretty complicated in terms of his whole business not just the constraints of LEDA. Landscaping is an issue with others as well not involved with LEDA. He will talk to Collin in detail. He did hear earlier that if needed there is an opportunity to look back at the LEDA agreement and perhaps modify it.

Mr. Trujillo said we work with the companies to make sure they are successful. That happened with Santa Fe Studios. If he is having issues we will talk with him and see if a restructuring is needed.

Mr. Brown said since starting here he has heard that the City is not business friendly. True or not it is being taken as true. We are beginning the process of trying to discern how business people see us as not business friendly. He has heard the stories. He has spoken to Simon Brackley. Simon is canvassing all the members of the Chamber and asking each one of them to give him one issue we can solve to get the ball running. We will do this with the Green Chamber and the Hispanic Chamber as well. He does want us to get some small lens quickly and then look at more substantial issues. The ball is starting to roll to understand and get action.

Mr. Higgins asked is there a way to get an update on the College of Arts and Design.

Chair Harris said he will speak to that at the next meeting. There is a session scheduled in the next few days to compare notes and look at what has been proposed. A charette was organized around Garrets Desert Inn for design firms. It got zero press and the Land Office did participate. They haven't offered to do something similar at 3 locations. We may be able to roll out something if that is appropriate. There have been discussions with some Universities. The wheels tend to grind pretty slowly. We are less than a year from when Laurette will be gone from that lease and campus. We need to have the next user or users in place.

Mr. Higgins said there was a get together recently where ideas were discussed.

Chair Harris said there have been several. He attended one with the union. There has not been a City organized one. We said from the beginning that we still think at least a portion of that 64 acres needs to be higher education. Workforce also is something we would like to see. There are some opportunities there. Certainly with the film Union. There are a lot of different elements. Garson Studios is a sublease.

VII. ITEMS FROM STAFF

None.

VIII. ITEMS FROM THE CHAIR

Chair Harris said thank you to SCORE for all the good work you do.

Ms. Bustamante said she will not be here for the next meeting.

Chair Harris said he has submitted a resume to the Mayor for the opening we have on this Committee.

IX. ITEMS FROM THE PUBLIC

None.

X. NEXT MEETING DATE - AUGUST 9, 2017

XI. ADJOURN

MOTION A motion was made by Mr. Higgins, seconded by Ms. Kennedy, to adjourn the meeting.

VOTE The motion passed unanimously by voice vote.

There being no further business before the Committee, the meeting adjourned at 1:06 pm.



Councilor Michael Harris, Chair



Elizabeth Martin, Stenographer

Informational Items

Item A



Project Agora

*Mark Johnson &
Adam Shaening Pokrasso*

July 2017

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Executive Summary

This report is the delivery from a contract signed with Mark Johnson and Adam Shaening-Pokrasso and the City of Santa Fe in response [to an RFP](#) asking for “programs and projects which are transformational to Santa Fe’s economy.” Our original response to that RFP was to use our expertise combined with research and feedback from the community into recommendations for a coworking space.

In this report, we’ve created what we believe to be requirements for a successful coworking space in Santa Fe. And we have fully concluded that a coworking space does not exist in isolation. The City of Santa Fe needs a vision for a holistic entrepreneurial ecosystem if we’re to thrive and compete for jobs in the 21st century. One of the resounding themes of successful coworking spaces is that founders thought both about themselves **and** about building communities of capital, talent, resources, and services around the space. That’s why we call this project: **Project Agora**¹.

Our summary recommendations are as follows:

1. **Don’t deviate from the established standard** - coworking has evolved quickly over the past 10 years and the market has learned many lessons. We’ve been detailed on what we believe to be necessary for a coworking space to succeed, while being sensitive to Santa Fe’s unique situation.
2. **Find ways to bring in outside talent** - the lack of a talent pool in Santa Fe is one of the biggest challenges in growing a startup here. Though fixing this completely may require decades, we suggest a simple stop-gap: bringing in successful startup founders for an “entrepreneur-in-residence” (EIR) program. The advantage of having experienced advisors will help our local companies and will spread the wonder of New Mexico to a broader audience.
3. **Use the space to concentrate people and organizations together** - there’s no central location for entrepreneurs in Santa Fe. The coworking space should consider measuring success as bringing people together as its primary mission, with butts in desks as its secondary success factor. This means having a consistent draw (like beer, coffee, or artisanal food) and frequent events.
4. **Build the components of an entrepreneurial ecosystem** - though this report focuses on the coworking space, it won’t be successful unless our community continues to build the infrastructure and culture to support the startup demographic. This means everything from healthy, inexpensive late night food and quality nightlife to more effective and less expensive high speed internet and more affordable housing. . Even though these improvements are herein targeted at startups, we believe that our community will become stronger as a result of efforts such as these.

¹ “Agora” is a Greek word for the open space in their city-states that served as a marketplace and meeting place. It’s here where Socrates taught his students, for example.

What follows is an exposition of these themes to interpret the research and arguments that went into these recommendations. We will describe **a set of requirements** for a coworking space. We also don't have all of the answers, but believe that our recommendations are sound and designed to mitigate risk and apply strategies with consideration to our unique climate.

In the end, this project has been a lot of fun for us. We're deeply invested in the future of Santa Fe from a personal and professional perspective. Companies like ours will only be successful if Santa Fe begins to address some of the gaps that make it hard for a company to be started here. A thriving entrepreneurial community is something we both deeply support and we're grateful to the City of Santa Fe for giving us the opportunity to share our vision for a thriving Santa Fe.

Backstory

Our careers both started in San Francisco, CA where technology trends regularly disrupt entire industries. Despite thriving in that fast-paced environment, we both ended up building our businesses in an unlikely place: Santa Fe, NM. The “normal” place for an artificial intelligence company or a media agency would be in San Francisco. We were both drawn to Santa Fe, NM to grow our companies in a different kind of ecosystem. Here we have a close community, deep history, the mountains, the sky, and the escape from hectic city life. Ultimately, this can and should be Santa Fe’s competitive edge.

We’ve had many conversations with each other over the past 2 years about what makes Santa Fe special. In fact, when we first met two years ago, we had a spontaneous brainstorming session about how we’d develop high-tech community in Santa Fe. We were honest about the pro and cons of Santa Fe and used the gaps to inform the best place to start. Even in those early days, we realized that a location would not just be functional, but symbolic: creating such a space would create a gravitational pull to local startup activity. Many of the philosophies from that whiteboard are reflected in this document.

A little bit about both Descartes Labs and 12FPS is important here. We’d like to be upfront about our motivations and biases; plus we believe those experiences as non-traditional company founders give weight to our recommendations.

12FPS was created to serve as the storytellers and media marketers for San Francisco tech giants like Google, Adobe, AOL, and Zynga. The logo, designed around the iconic frame of a horse in motion shot by the wild mind of Eadweard Muybridge tells a story of how a photographer set out to solve a problem and in the process created an entire industry of motion picture, animation and the arts created around the phenomena that we call “persistence of vision”. This represents the power of experimentation, visual storytelling and the beauty of accidental discovery - a pillar to any startup mind.

Despite having a thriving business in San Francisco, Adam decided to move his headquarters to Santa Fe. Driving this decision was a desire to be closer to nature and to get more deeply involved with the community in which he grew up.

Now, with nearly 4 years in operation in New Mexico, 12FPS is a stakeholder and anchor in the film and digital media movement for the state. With support from Santa Fe, the #HowToSantaFe campaigns ignited an explosive movement that continues to attract young tourists and empower locals to explore their community.

Mark spent his entire career in the high-tech world after studying philosophy at Stanford. He first set foot in New Mexico in July 2014 to meet the a Los Alamos science team the eventually became Descartes Labs. Instead of moving the entire team to San Francisco after taking \$3M in seed funding - the reasonable and acceptable thing to do - he decided to found the company in Los Alamos, NM. He hopped in his car and moved out for what he thought was, at most, a year.

The odds were definitely against him. It was hard to recruit; some funding sources wouldn't even consider a NM-based company' and there wasn't a large tech community here. However, after persevering through the first year, he fell in love with New Mexico and decided that the company had to be located here.

Descartes Labs currently employs almost 40 people and will be over 100 at some point next year at their current hiring rate. Top of Mark's mind is the retention and hiring of new Cartesians, most of whom will come from out of state. Descartes Labs emphasizes all of the positive aspects of Northern New Mexico, but employees want more than just hiking trails and beautiful skies. They ask questions like: How are the local schools? Where can my partner get a job? Where do I get a job if Descartes Labs fails? How's the local tech community? How's the nightlife? Employees care more than just about their salary and their current work environment. They care about their ecosystem.

Given our professional background and inside/outside perspective, we began a dialog with members of the local community. Following the RFP issued by Santa Fe Economic Development where Mayor Javier Gonzales wanted to "make sure that Santa Fe's economy attracts and retains talent and dynamically grows businesses," we felt that it was time for us to step up beyond the whiteboard, survey the local and national landscape, and structure our thinking.

Goals and Methodology

Given Santa Fe's unique positioning, as compared to major tech centers like San Francisco, New York City or even smaller places like Boulder CO or Bozeman MO, our approach to coworking was that Santa Fe should learn from other similar models, but not be afraid to do things our way. With this in mind, the goals established for this project were:

- Understand trends in shared workspaces
- Analyze similarities and differences among coworking operators
- Map the coworking stakeholders, existing spaces and areas of distinction for Santa Fe and neighboring communities in Northern New Mexico
- Conduct structured conversations with local entrepreneurs and business accelerator programs
- Create and distribute a survey to collect data from local business owners and entrepreneurs potentially interested in becoming members of local coworking space(s)
- Synthesize national trends, local needs and provide recommendations for structural design and next steps

Project Agora

A Vision for an Entrepreneurial Ecosystem in Santa Fe

Project Agora is a vision for a holistic entrepreneurship ecosystem. The anchor of this vision is a coworking space that follows national standards but also recognizes Santa Fe's unique needs. The vision requires a constant flow of top entrepreneur experts in and out of Santa Fe and the importance of concentrating resources in a single geographic area. This means that, while we spend a bit of time talking about how to structure a coworking space, we also spend a significant amount of discussion around the larger ecosystem.

The leading startup communities around the world recognize the energy created by supporting shared workspaces with neighboring restaurants, nightlife, coffee shops, event spaces, retailers and housing in a single neighborhood. One particular example that stands out is the "American Tobacco Campus", a project in Durham NC that has effectively achieved this concentration where coworking is a single component of a resource mecca for the community (noted in more detail in the research that follows).

Further, Santa Fe must recognize that there isn't a lot of talent here to lead high-tech startups and other creative enterprises. We suggest an entrepreneur-in-residence (EIR) program as a way to attract executive talent. The EIR will mentor budding startups and help add to the vibrancy of Project Agora. Our intention here isn't to move these EIRs permanently to Santa Fe, but rather to learn from their experience and make them vocal fans of the glory of New Mexico.

Our recommendations follow, broken down into four sections.

1. Don't deviate from the established standard

Every coworking space has its own story of success or failure. But there's one pattern that we never saw deviation: *the basics*. The basics include where the coworking space is located, what features and amenities are included, the structure, and the funding sources. This section will elaborate on these 4 key components in detail; [the Requirements section](#) that follows will re-capture these elements as a detailed list.

The Location

One theme from our research and conversation is that **location** is incredibly important. For example, when WeWork opened up their first space in the Financial District of Manhattan, they had to make sure that amenities like coffee shops (even though they provide their own coffee) and restaurant options were located within their building -- and that's in New York City.

An ideal location is a place that is walking distance to businesses and residential areas. The demographic attracted to startups wants businesses that support their lifestyle: healthy and reasonably-priced food, craft beer, well-made coffee, yoga studios, and bookstores. Not all of things need to be immediately accessible, but there need to be enough options for lunch and a smattering of other tailored businesses. People moving from big cities are often used to walking, biking, or taking public transportation to work. The closer the coworking space is to desirable neighborhoods, the better. Another attractive feature, distinct to Santa Fe, is easy access to trails.

Despite Santa Fe's population being under 100,000, there are thankfully a number of high-density areas in the City as potential locations, the Plaza and the Railyard being the most desirable. The Plaza is obviously close to just about everything; the problem is that a lot of the amenities downtown are geared towards tourists, not locals. The Railyard is potentially a great location, given it's location on the Santa Fe Rail Runner Railhead. The buildings look modern, and there are a number of amenities in the Railyard and on Guadalupe. However, the Railyard suffers from a lack of cohesiveness in terms of its services. There's no quality coffee shop or quick lunch places. Also, the large number of vacant spaces in the Railyard don't scream "vibrancy." A final potential location is the Siler Yard District, housing Meow Wolf, the upcoming Arts+Creativity Center, and a number of smaller businesses. The challenge with the Siler neighborhood is that it is in an early stage of development, continuing to emerge but only walkable to a few existing amenities. However, as the neighborhood is undergoing rapid renovation, the potential to address seemingly insurmountable challenges downtown might be addressed as part of the development and considered as central priorities to the district.

We hope that this kind of long-term planning is part of the plan for this holistic ecosystem as these gaps are in fact central to any anchor coworking space. Note that the goal of this report is **not** to suggest an exact location. Our goal here was simply to give the principles of how a location should be chosen.

Features and Amenities

In some ways, this is the easiest part of the report. The industry of coworking has the benefit of some large players like WeWork and a host of smaller coworking spaces - by some estimates, over 10,000 coworking spaces worldwide. And, they've been around in one form or another for over 10 years. The amenities within a coworking space are pretty standard. With a few tweaks, we can optimize this space for Santa Fe.

Our research of 50 organizations showed some standard services and amenities: open offices, private offices, conference rooms, phone booths (sometimes actual phone booths), excellent wi-fi, coffee and snacks, printing and shipping resources, and community boosting events. There's no reason to deviate from this.

Within this, there are some important decisions to be made, based on our local situation. For example, given our research in Santa Fe, we believe that the space should be focused on shared desks. In larger locations like New York City, there's a strong need for actual offices. Here in Santa Fe, shared desks with places for quiet like phone booths and conference rooms will promote more of the kind of collaboration we envision.

Our recommendation is to stick to and require all of the following for any coworking space.

- Open and friendly shared workspace with both hot desks and dedicated desks that offer a variety of seating from desks to couches to outdoor patio space
- Limited private offices
- Conference rooms available to members and non-member drop-ins utilizing a simple online scheduling tool
- Phone booths to take private calls
- High speed WiFi
- Coffee
- Printing resources
- Shipping and receiving
- 24/7 access for members
- Event space (could double as the shared office space)
- Location must be positioned within a developing area of density (walkable to restaurants, retailers and ideally close to high density affordable housing and/or live/work units)

We've compiled a table of features, amenities and pricing based on a nationwide sampling of operators from small to large. The full spreadsheet can be found in the report packet or accessed online [here](#).

There's a lot of room for flexibility and creativity within this framework, but stick to the basics.

Structure of the Organization

There is also quite a bit of standardization around organizational structure. Three roles are common across most of the successful coworking locations we studied. They are: Executive Director, Community Organizer, and Office Manager.

Executive Director (ED) is the most critical role. There must be a full-time executive devoted to the success of this space. The ED is the business leader of the organization and needs to make sure that the space is filled, not just with butts-in-seats, but with the right mix of companies and organizations. This person must focus on financing - making sure the numbers add up. And, s/he needs to manage a team of people that keeps the space operating at its full potential. This person needs to have a vision that guides the organization. Finally and most importantly, the Executive Director needs to be able to mentor and guide the startups within the space. This means that any Executive Director candidate must have worked in high-tech startups and have a knowledge of the landscape. In our minds, it's this industry knowledge that is top of the list on a resume for a potential Executive Director, even if that means looking beyond New Mexico. Most of the coworking proposals that we saw as responses to the original Santa Fe RFP lacked this individual and we think that this should be a requirement if the City is involved in any way.

Community Organizer is a position that plans events for and within the coworking space, connects to other local organizations, and helps Project Agora serve as a community hub. This is another critical position, in that being a hub in Santa Fe is the primary goal of this space. Events must be curated carefully to maximize traffic and interaction with the community. Events planning must also take into consideration other local groups supporting startups, to ensure that Project Agora becomes the hub for all of these projects.

Office Manager is the person who sweats all of the details at the office. Every startup with more than 20 people needs an office manager to deal with IT, snacks, outside vendors, paying bills, making sure the office is in great shape, getting and implementing feedback from members - in general, making sure the space is fantastic. The office manager may also play a role in the event and program coordination where logistics relating to facilities are managed effectively. This frees up the community organizer to focus on the programing, dealing with logistics related to outside promotion and coordination.

Funding

Funding for coworking spaces comes in a combination of member fees, sponsorship, and community funding. There's no hard rule about the right combination of these fees, but keeping member funds flowing is key for sponsorship and community funding. We believe that Project Agora should strive to be funded at least 50% by members within the first 12 months as a milestone for success and act to minimize support from government entities.

Even companies like WeWork, which itself is a for-profit startup, supplement member fees with sponsorships. For example, Silicon Valley Bank sponsors an entire floor at several locations in San Francisco. Startups who choose Silicon Valley Bank as their bank can camp out on that floor for a reduced fee for 6 months. SVB also uses this floor to host events to promote their brand. This not only addresses a need for outside (non-revenue) capital but also underscores one of the fundamental goals any tenant in a coworking space might desire - to be working alongside all their necessary stakeholders, partners, funders and mentors.

We recommend that if the City of Santa Fe contemplates supporting a coworking space, they look for someone else to run it (nonprofit or for-profit). In our research, we've failed to find any shining examples of municipally-supported coworking spaces. The reason, we think, is simple: you can't create a need for a coworking space, either it's there or it's not. Therefore, if a government entity decides to fund a coworking space, we think that they should be arm's length from the actual space. They shouldn't represent any more than half of the funding in the first year (think of it as activation capital), a third the second year, and less than a fifth of the total budget going forward.

Given that many different stakeholders have a stake in the outcome of building an entrepreneurial community here in Santa Fe, there will be many opportunities for sponsorship support. Local VCs like Sun Mountain, Verge Fund and Camino Real Capital Partners, startups like Descartes Labs and Meow Wolf, Los Alamos' Feynman Center, and professional services firms like PR, marketing, and design should be given opportunities for sponsorship.

2. Find ways to bring in outside talent

One of the huge deficiencies - not just in Santa Fe, but in many smaller municipalities - is the lack of a talent pool. Talent comes from two primary sources, both of which New Mexico lacks: a stream of fresh talent from Universities and a pool of experienced talent from local companies. New Mexico lacks a university that breaks into the top 100 in any national ranking and we don't have a single Fortune 500 company headquartered in this state. We hope that our state and local officials will deal with the difficult but pressing problems in education and business facing this state, but the question is how to deal with the short-term, local problems.

Experienced founders and entrepreneurs is something we can fix in the short term and is badly needed.

Let's assume that we fill Project Agora with fresh young companies, excited to make their mark in the world. Those companies need mentorship and guidance in order to be successful. Some of that education can come from local resources. But, a startup will need mentorship from people who have been operators at startups, can connect startups to the right funding sources (often located in San Francisco or New York City), and can help recruit the right talent.

An observation about the recent success of Descartes Labs is that it required an individual coming with the right kind of industry experience to turn an idea into a startup. Similarly, we strongly believe that we need a "Entrepreneur-in-Residence" program at Project Agora to bring this much-needed mentorship and network to member companies.

The specifics should be chosen by the operating entity for Project Agora. But, we do have some guidelines and a suggestion of how such a program might work.

We recommend having two EIRs at any given time. The profile for this EIR should be:

- Founded a startup that achieved success
- Served in a senior management role at more than one company/startup
- Raised at least \$5M of funding for his/her startups
- Experience mentoring startups
- Strong ties in the Silicon Valley and/or NYC (the two major startup centers of the US)
- Excellent communicator
- Influencer on social media

The EIR will be expected to mentor local startups and produce content for Project Agora, while still leaving him/her time to work on their own startup. Project Agora should provide the EIR with housing and a monthly stipend; even better if there's an agreement with local VCs that they will consider funding the EIR's startup.

Note that, though we hope that the EIR chooses to put his/her startup in New Mexico, it should not be considered a failure if they leave. In fact, the benefit of the EIR returning to out of state networks serves as a new form of marketing for the City of Santa Fe. A great outcome is 6 months of mentorship, lots of the EIR's friends and colleagues visiting New Mexico, tons of social media posts about the wonder of New Mexico, and a fan for life.

Sourcing these individuals initially will require serious effort from the Executive Director. In time, the reputation of the program and it's alumni should be expected to ease this effort as the community of accomplished startup founders keep a tight knit network. This effort begins with designing a marketing campaign to the Silicon Valley, letting entrepreneurs know that there's a great place in the high desert of NM that combines all that they require for launching a company with a unique quality of life that feels out of reach in dense urban areas like San Francisco and New York City.

Our proposal to bring in outside executive talent into Project Agora is one of the keys for success and perhaps the most viable solution to Santa Fe's unique challenges when compared to more stable markets out of state.

3. Use the space to bring people and organizations together

There are a surprising number of local organizations that seek to serve the Northern New Mexico community. These organizations range from coworking spaces like Project Y in Los Alamos, to accelerators like Creative Startups and educational programs for local businesses like bizMIX. More detail on specific organizations is provided in the research section.

One of our observations shared by many of the conversations we had was how disconnected these efforts are from each other. There's far too much competition and in-fighting and new organizations constantly pop up without thinking about themselves in relationship to what already exists. The startup community is far too small not to have a more coordinated effort across and among all of these groups.

Though we can't pretend to solve this problem, we do believe that having a central space could be key in promoting more interaction. The closest thing we've got to a central location here in Santa Fe is Iconik on Second Street. Not surprisingly this is driven by coffee, food, location, excellent (free) internet, and a comfortable work area, exactly what our research would predict. But, what's more interesting is why people keep coming back there instead of other locations: it's the people. We certainly don't want to take business away from Iconik, but it's that kind of central hub, the hearth of entrepreneurship in Santa Fe, that should be the inspiration for Project Agora's coworking space.

Events are a key driver to community. Project Agora should attempt to have an event every night of the week. It should be a low-cost, high-quality venue for local groups. The Project Agora staff should also create its own programming, drawing on local talent and bringing in national speakers. By keeping content fresh and interesting, the space will achieve local visibility and integrate numerous industries beyond tech, like niche resources such as youth coding workshops, user groups and even simple networking required make new relationships.

But, events alone will not suffice. There needs to be a daytime draw into the space. Certainly interactions with the constituent companies will help bring people into the space. One of the primary reasons that the space must have a sufficient number of private, ad hoc meeting areas is to bring non-members into the space. We also suggest some kind of draw into a casual, public space. A small coffee bar with a local coffee roaster or snack/sandwich shop would help to promote casual meetings with the broader startup community. Success is when we're the first choice for meetings in the City. The outward appearance of the space should emphasize inclusiveness and welcome curious walkins, tourists and effectively suggest that the startup community is a celebrated part of the Santa Fe community at large.

Finally, Project Agora should help to broker conversations among the different groups in town. When a new initiative is started, we hope that they'll start off by talking to the leadership of Project Agora and that the conversation will be collaborative with the intention of finding the best

way for that individual or group to be present in the community. Again, we have found too much contentiousness among the startup groups generally and the coworking spaces, in particular. To emphasize: this community is far too small to support the number of groups we have now and we'd love to see some consolidation of effort. We believe that Project Agora is a logical central point to maximize the value of local initiatives.

4. Build the components of an entrepreneurial ecosystem

In building a vision for Project Agora, it was clear to us that a coworking space alone is not going to be sufficient to build an entrepreneurial ecosystem here in Northern New Mexico. Though a coworking space can serve as an anchor to current investments in entrepreneurship and as a starting point as that community grows, it cannot do it alone.

There are three major buckets that we've identified: infrastructure, education, and community. We are attempting as much as possible to remain apolitical. It doesn't matter to us how or by whom these goals are achieved, just that they are.

Our infrastructure is a huge black mark for Northern New Mexico. Imagine an investor who wants to invest in the next big startup here who decides to fly out from New York. Upon booking their trip, they find out that there is a single daily nonstop from the three NYC airports to all of New Mexico and the return flight home is a redeye. This means that a day trip turns into a 48+ hour trip. When they arrive, they have Sprint and find that their cell phone hardly is ever on LTE. And driving up to Los Alamos, their cell phone doesn't work for half the trip even for voice calls. That investor might reasonably think, "How is this startup going to survive in New Mexico?" No amount of government subsidy for startups will make up for the lack of core infrastructure.

For flights, we'd like to see coordination and expansion among the major airports of the state and an attempt to get flights to major metropolitan areas. Direct flights to San Francisco are a necessary component if we want a thriving technology ecosystem. Santa Fe has made some progress with fiber in a small area downtown. This program must be expanded and costs should be brought down to make it more accessible. Cell phone connectivity is spotty throughout Santa Fe. This is a huge problem for businesses and visitors alike. One easy solution in the downtown area would be to provide high quality, fast, free WiFi; though obviously better cell phone coverage generally is a smart goal.

In terms of education, we realize that there's no easy fix here. Even if funding were to increase today, it could be years before we see major improvement. However, we want to emphasize that this is a huge problem both for finding local NM talent for startups and for attracting families into the Santa Fe school system. One short term possibility for educational improvements to support the startup community would be bolstering computer science and business education at Santa Fe Community College. We believe Project Agora can be a positive force in Northern

New Mexico for continuing education, but our core educational resources absolutely need to be improved.

Finally, we'd like to see Santa Fe create a comprehensive vision for supporting businesses with a younger demographic in mind. This effort, often referred to by Mayor Gonzales and other community partners as "growing Santa Fe young" means more than just nightlife and coffee shops. For example, our deep history as an arts community has maintained its ranking as an international hotspot for fine art, but the young entrepreneur is not interested or can't afford the kind of artwork for sale at the galleries throughout Santa Fe. These individuals however, are diehard fans and organic ambassadors for arts experiences like Meow Wolf, AHA Festival or Currents New Media Festival. This effort, as compared to infrastructure and education, is clearly underway and only requires continued support and embracing the natural evolution to Santa Fe's narrative and messaging.

Again, we want to stress that we are not policy wonks nor do we want to engage in any politics. We believe that the above is an objective list of steps forward for Santa Fe and the State of New Mexico if we hope to compete for jobs in the 21st century.

Requirements

This section attempts to list out a non-exhaustive list of requirements for a potential coworking space. Regardless of what entity runs this space, these requirements should be followed. Note that we end each section with some optional requirements, noted as such.

- The location should...
 - Be walkable to services (a coffee shop, several lunch options, etc.)
 - Be easy to bike to
 - Be located adjacent to population centers attractive to a demographic under 40
 - Have sufficient parking
 - Be close to local hiking/biking trails (optional)
- The coworking space should...
 - Be composed of mostly rental desks
 - Have at least 1 conference room for every 10 desks with a videoconferencing solution like Google Hangouts; these conference rooms should be easily rentable to outside parties
 - Have a private small phone booth at least for every 10 desks
 - Consider a small number of private offices
 - Have free, high-quality coffee, snacks, and drinks
 - Have reliable, extremely fast wireless internet
 - Have printing and shipping resources
 - Be able to be used as a mixer/meetup/presentation space also. For this, there should be a place for presentations with sufficient sound quality for presentations
 - Have a public space to draw in people during the day, such as a coffee or sandwich bar
 - Have a patio space, highlighting New Mexico's fantastic weather (optional)
- The organization should...
 - Be managed by a non-government entity who has ownership and control over the coworking space
 - Have a full-time Executive Director, whose job it is to manage the coworking staff, P&L, and vision
 - Have a full-time office manager, whose job it is to keep the space up and running
 - Have a full-time community organizer, whose job it is to create programming, invite outside groups into the space, and to promote these activities
 - Have an entrepreneur-in-residence program to bring in outside executive talent into the local ecosystem

What's Next?

Project Agora is about the overall vision and key aspects to cultivate, but our City and our community must build this together. We hope that this document will stimulate a conversation among elected officials, the City staff, and local startup groups. As a next step, we suggest that the City uses this report as an anchor to maintain a discussion, measure action and see each stakeholder as an important part of something that requires collaboration and concentration.

This vision is only realized when we work together!

We would love to see Project Agora be realized locally and think the City should be involved, but are agnostic to whether or not the City drives the process. We encourage this document to be shared widely and to look at the areas that are strict domains for each party. Ultimately, we believe all the ingredients are here or within near reach but the players need to meet and trust in accountable follow through in each area from infrastructure and capital to operations and broader stakeholders.

1. First, we recommend that City staff review this in detail and prepare questions and feedback to which we are eager to address.
2. Then, we suggest that the City welcomes key stakeholders to review the document and discuss the concepts as part of a structured brainstorm. This structure should be simple and drive at the central question of “who does what to move this forward?”
3. Finally, we hope that as a result of this collaborative discussion and subsequent meetings, clearly identified players whose interest relates directly to various aspects of the project, will be clear.

Research

The following section serves as the foundational background for the concepts and recommendations outlined prior. This research strives to be diverse and inclusive of different models, places and operators but in no way should be seen as comprehensive. The field of Coworking and the communities that each space, project or program serve vary widely. The trends, brands, details and evolution moves quickly and some information may become outdated with this high pace. Please use this information but consider it's shelf life.

What is Coworking?

National Workspace at-a-glance

We have closely examined the exploding category of "Coworking" and we have interviewed industry experts and leaders. The good news is that there's been a huge amount of experimentation over the past decade in coworking models in cities large and small. Our goal here was to make sure we were learning from the successes and failures - all while trying to imagine how Santa Fe can become a national leader in entrepreneurialism.

Larger operators like WeWork operate in only large cities as part of their strategy. For example, WeWork considers Atlanta and Houston second markets, to give a sense of how they think about scale. Smaller coworking spaces exist in almost every small city, but with varying degrees of success - and very few being successful on the national stage. We've tried to find as many themes as possible to find the key success factors and use them as recommendations. Talent, funding sources, and sensitivity to the local market are three key themes that came out of our research.

We seek to align Santa Fe with national directions and identify how Santa Fe can become a national leader in this category by leveraging our unique assets. In short, standards and styles have been established which give members of these spaces predictable expectations while also distinguishing some spaces and operators from others. This is, however, only to set the stage around current trends so that any initiatives taken locally are considerate of the national and international standards; there is no prescription to follow any model precisely. In fact, we believe that Santa Fe may break away from some of these models to distinguish our offering(s) from those which seem to lack innovation and/or unique alignment to our community and geo.

Coworking leaders with numerous spaces worldwide include:

WeWork

Founded in 2010, now with over 100k members and shared work spaces in 13 countries and locations in 19 cities in the US, WeWork is the largest coworking provider globally. They are known for their numerous buildings in NYC and SF and many startups begin their life at a small WeWork office. WeWork's premise is to rent flexible office space to startups, sometimes as small as a single desk or as big as a dozen person office. There are shared resources to all of the offices (bathrooms, coffee, beer, etc.) and lots of interaction among the companies at WeWork. The value of WeWork is as much as being at a WeWork as it is the financial flexibility of month-to-month rent.

<https://www.wework.com>

Regus

Bridging the gap between traditional office space and a contemporary coworking experience, IWG is the oldest shared workplace listed here. While it offers shared and virtual office options, IWG leans more towards traditional office rental with walled off spaces. Santa Fe has a Regus downtown on Washington St. Regus typically serves a different market than WeWork, in that it caters to non-technology professionals, not startups.

<http://www.iwgplc.com>

Impact Hub Network

Specifically designed for "impact" businesses (companies creating positive impact on our world), Impact Hub has over 15k members and locations on every continent. The unique focus on impact businesses makes the model attractive to potential coworking space founders who can receive support from the organization to launch an Impact Hub in their area

<http://www.impacthub.net>

Other shared workspace providers with nationwide locations include:

Industrious // <https://www.industriousoffice.com>

Serendipity Labs // <http://serendipitylabs.com>

Galvanize // <https://www.galvanize.com>

Techspace // <https://www.techspace.com>

Venture X // <https://www.venturex.com>

Croissant // <https://www.getcroissant.com>

Coworking spaces with numerous locations in a focused geo include:

Grind

Based in New York City with 3 locations

<http://grind.work>

The Yard

Also based in New York City but with additional locations along the east coast in places like Philadelphia, Boston and Washington D.C.

<https://theyard.nyc>

Port Workspaces

Focused in Oakland, CA these spaces are popular for their views and outdoor offices, playful environments and beers on tap.

<http://portworkspaces.com>

Sandbox Suites

Spaces in San Francisco, Berkeley and Palo Alto with the option of hourly meeting room rentals for non-members.

<http://www.sandboxsuites.com>

Others include:

NextSpace // <http://nextspace.us>

Eco-Systm // <http://www.eco-systm.com>

Parisoma // <http://www.parisoma.com>

The above lists are just a small sample of the many providers creating new spaces, reclaiming old buildings and competing in a membership based marketplace for entrepreneurs. While each space seeks to offer some competitive edge, we've noted earlier that there are a standard set of features that just about every provider includes in their offering.

- Shared workspace (open space and non-dedicated desks)
- Dedicated desks in open/shared space
- Upgraded private spaces (sometimes a couple walls to separate from a shared room)
- Conference rooms available to book through an online scheduling tool
- Phone booths to take private calls
- High speed WiFi
- Events to boost community mixing
- Coffee
- Printing resources
- Shipping (send and receive)
- Most with 24/7 access (some with daytime reception)

Beyond these standards, the competitive advantages and unique offerings we learned about represent a wide spectrum of options. Some spaces are known for their workout facilities and others for their game rooms and in just about every case, there is intentional design to create social, playful and inspiring environments, while still reserving some space for concentration, privacy and productivity. We came across some especially interesting spaces which fully integrate with local retailers, art spaces, schools, venues for music shows, or even reclaimed old buildings like **The American Tobacco Campus** in Durham, NC - a fully developed community of business tenants with **American Underground** as one of their anchor tenants - coworking partnered with Google complete with it's own accelerator, incubator programs and a tech training academy.

American Tobacco Campus // <https://americantobaccocampus.com>

American Underground // <http://americanunderground.com>

Similarly in Austin, TX an **Impact Hub** has partnered with **Gather Venues** to maximize the usage of space and emphasizing events, gatherings, parties and even a venue equipped to host weddings and large corporate events.

Impact Hub Austin // <https://www.impacthubaustin.com>

Gather Venues // <http://www.gathervenues.com>

These professional collaborations underscore an important part of the evolving climate of shared workspaces around the world. Just like partnerships between an office space, coffee shop and event space, the emphasis on working together and sharing resources is central to the next generation of global innovation. People enjoy being around other people. We learn from our competition and live healthier more dynamic lives in community.

Even when there is little or no interaction and individuals remain focused on their work, headphones on and deep in their laptops, work is more enjoyable with a good cup of coffee in a warm space filled with others, each contributing to the energy of the space and propelling this new wave of innovation and interaction.

Santa Fe Stakeholders

From the arts and sciences to the dynamic natural backdrop Northern New Mexico has no shortage of resources. We have private wealth, Hollywood celebrities, investors, business incubators and more PhDs, nonprofits and creatives per capita than most places on the planet with twice the population. Important drivers like high speed internet, nearby cafes and restaurants, public transportation, programs, events are all equally important to this innovation and concentration. The following is a small sample of resources that relate to entrepreneurship in and around the Santa Fe region but again, should not be considered a comprehensive list.

Coworking in Northern NM

Coworking is not new to New Mexico. In our research we identified 4 growing operators that continue to build members, host events and concentrate innovation in communities they serve.

Fatpipe // <http://fatpipeabq.com/work>

Albuquerque based, member partnerships between other spaces and looking to expand

Project Y // <https://www.projectylosalamos.com/en>

Los Alamos based, highly active in building programming, events and member partner to Fatpipe and the Santa Fe Business Incubator

Free Range // <http://www.freerangespaces.com>

Albuquerque based, day rates at \$25 for drop ins and full access private offices starting at \$399/month

Simms Space // <http://simmsspace.com>

Also Albuquerque based located downtown in the Simms building where numerous other businesses rent

In addition to these 4 operators outside Santa Fe but located in the state of NM, there are some collaborative workspace rentals (with select aspects of the national models and trends) are in operation in Santa Fe.

Specifically, the **Co-Lab at Second Street Studios** currently offers dedicated desks in a shared space for \$275/month with shared conference room and lounge. <http://secondststudios.com>

At the **Santa Fe Business Incubator**, a shared workspace (non-dedicated desks) are available for unlimited use at \$125/month or 10 visits for \$75 on their coworking punch card.

<http://www.sfbi.net/services/CoWorking>

Northern New Mexico Programs

Another important asset that most innovative communities typically leverage are programs which mentor businesses and support their launch or growth in the marketplace. Usually referred to as “Accelerators,” these programs are often built around an intensive curriculum and delivered by established business leaders and mentors. Accelerator programs are usually not affiliated with any educational institution, and do not offer academic credit or certifications. They are supported by outside investment, venture capital, in-kind services and products, and City or County Economic Development in their area. While there are many variations on this model and numerous others, we’ll focus on 3 that serve or are based in Northern New Mexico.

BizMIX // <https://mixsantafe.com/bizmix>

Now in its 6th year, BizMIX has worked with early stage startups and small businesses to bring their products, services, and dreams to the marketplace. With numerous alumni now in operation in Santa Fe and beyond, BizMIX is an important asset to Santa Fe which can and should be integrated into any collaborative workspace design.

From the website, *“So, you have a great startup idea? bizMIX is a journey to develop skills, attract resources, make community connections and find the tools you need to start up and stay up. Our model is proven to increase the success rate of startups and now we are looking for the next group of passionate community entrepreneurs in Santa Fe.”*

Creative Startups // <http://www.creativestartups.org>

While sharing similarities to BizMIX, Creative Startups focuses more on national and international startups and less on small business. Based in Albuquerque, NM, and with new programs now in Salem, NC and Kuwait servicing the Middle East and North Africa, Creative Startups has been pivotal in supporting companies like Meow Wolf in taking their big idea to the investment world and launching into uncharted territory.

From the website, *“Creative Startups Accelerator is uniquely suited to startups scaling globally: our 8 week course allows participating startups to focus on their market instead of moving to a new region. Applicants are welcome to pick whichever location works best, and will have access to the full mentor network.”*

ABQid // <http://www.abqid.com/>

From the website, *“We identify and develop high-growth, early-stage businesses and invest in them with the knowledge, resources, and connections they need to succeed.”*

Santa Fe Business Incubator // <http://www.sfbf.net>

From the website, *“...Since 1997, SFBF has provided a supportive environment for people who have the passion and tenacity to grow a business...”*

What does Santa Fe need?

This section reports qualitative and quantitative findings following months of structured conversations and research. The synthesized output is designed to help identify trends and support further action to be taken by the City of Santa Fe and the larger network of stakeholders.

Project Agora Research

Method 1, Structured Conversations

Starting in November 2016, we began meetings with stakeholders throughout Santa Fe and Northern New Mexico. We received input from over 25 people, including a dozen Santa Fe-based entrepreneurs, representatives from local and national coworking spaces, and other interested parties in the Santa Fe community. Much of this helped guide our national research above and also offered some unique local insights that have informed the Project Agora model presented at the end of this document. While many of these conversations deviated from the central discussion points around entrepreneurship and coworking in Santa Fe, the initial structure for each conversation was more or less consistent.

The following questions served as the basis for each conversation.

- What does a thriving entrepreneurial ecosystem in Santa Fe look like to you?
- When you think about a collaborative workspace, what do you think about?
- What are the key aspects of a successful coworking space?
- Do you think a collaborative workspace is right for Santa Fe? Why or why not?
- Any advice to us as we explore options?
- Who else should we talk to in the community?

Many responses included emphasis on the basic standards that make a balanced coworking space thrive with frequent mention of coffee, event space, meeting space and conference rooms in addition to a central open workspace with dedicated and non-dedicated desks. With consideration to Santa Fe's service and product focused markets (less of a tech based community), some people we spoke with felt that it was important that membership in a space could include shipping/receiving and possibly storage. Some emphasized the importance of startup services and partners like legal, investment and/or accounting support. Some key insights follow.

Katie Updike, a business consultant focused on impact investment suggested integrating a financial help desk to serve New Mexico which would educate members or non-members of a coworking space about different sources of capital from loans and grants to equity investment with pathways and resources to each.

Amy Slater and **Julia Youngs** from Creative Startups said:

While some would say “funding” is the top priority to a thriving entrepreneurial ecosystem, personality and sound business ideas in concentration may be of greater importance. And it’s important that the founders and business leaders are committed to staying in a given community - an ecosystem must be geographic. Government needs to support and create incentives (and make it easy to start a company). In Raleigh, NC startup stems from the university system - relating directly between departments of study and the businesses created. Interdisciplinary programs combine arts and business, science and business, etc. A lot of this can also stem from language and a deeper understanding for the difference between “startup” and “small business”. It’s a good sign when the scale tips and the community sees “startups” as a cool thing. Places like San Francisco, CA may be leading simply because the cost of living is forcing business to think big and small ideas do not survive or pay rent. It’s also important to maintain a connection with the global economy and resource network.

Bonn Macy, Santa Fe based entrepreneur said:

It’s important to focus on density which is currently most visible at Iconik Coffee (and used to also be at Flying Star). Communication and working together is very essential, networking people together. A successful ecosystem is not a culture of competition but a collaborative culture where people are working out problems together... We need to further increase density and concentration through events and any mechanisms for creating collisions so entrepreneurs are not islands. We also need to create multi-generational opportunities with programs for kids that seek to integrate with local schools.

Jesse Middleton, VC at Flybridge and Co-founder of WeWork said:

Coworking as a concept only works at scale. The struggle is creating an environment that is so appealing that it draws people from the far corners. Success in New York is that we can get people to commute every day from Manhattan to Brooklyn. Momofuku and other restaurants are at the base of the WeWork building in the Financial District. How to attract people to these buildings is core to WeWork. It’s not so much the coworking space that matters, it’s things outside the coworking space.

We’ve given careful consideration to these comments and many others, distinguishing between commonly held perspectives and trends and varying individual opinions. In summary, the message is to keep a focus on the big picture and holistic economic model while not waiting for all the pieces to fall in place. Effectively iterating a space to evolve with demand, we need to consider diverse multi-use offices that can double as event space and to connect to existing institutions, programs and resources which drive traffic and grow favorable good will with our community. Once again, we must create facility to think big, share ideas and work together.

Method 2, Survey and Quantitative Findings

Following the structured conversations we wanted to understand more about the target customers and their needs. A quantitative survey distributed to a broad group of Santa Fe business owners, residents, and leaders (attached) resulted in the following data.

Who We Surveyed

The majority of the 97 respondents come from city zip codes and over half identified as female. Over a third represented one-person businesses and another third represented workplaces with two to four employees. Nearly two-thirds work from a home office. Enterprises clustered around social media and PR; advertising and marketing; web development; and writing, editing and publications. A quarter of these enterprises are not-for-profit.

What We Learned

They like the idea. Two-thirds affirmed that Santa Fe would benefit from a new coworking space, with the remainder responding “maybe.” When asked why a coworking space could be beneficial, responses largely reflected a pretty solid understanding of the benefits of such spaces. We heard that a coworking space would create an environment, community, and hub of creativity and innovation resonating with our innate collaborative spirit; that it would provide opportunities for creative entrepreneurs to come together in community, to access shared resources, to promote infrastructure development. We also heard that location and costs were critical factors.

As to joining, about 40% are interested or ready to sign up. Another 40% liked the idea though they don’t necessarily need monthly arrangements but may want some drop-in options. The remaining 14% simply said it was not for them. About a third would use such a space “occasionally,” while 20% said once or twice a week, and another third three or more times a week.

Railyard and downtown locations are the favorites with another preference for an Eldorado space. High preference amenities include (in order of priority) high speed broadband, meeting and conference spaces, after-hours access, business support services, quiet spaces and event spaces, and designated desks.

The call for community events centered around speakers, seminars, and discussions; workshops and classes; and networking events.

We asked about possible benefits – they saw the potential for most of them, especially opportunities to work in a collaborative, supportive environment; to network; and to find partners and collaborators.

Just over half would prefer to budget less than \$150/month and another third would look at \$150-250/month.

Coworking Operators, Prices and Features

Included in the report packet as .XLSX or online here:

https://docs.google.com/spreadsheets/d/1Xk1jADOGcpcNNQsU73oBxddcX5wlvBkt_mYkMB00g/edit?usp=sharing

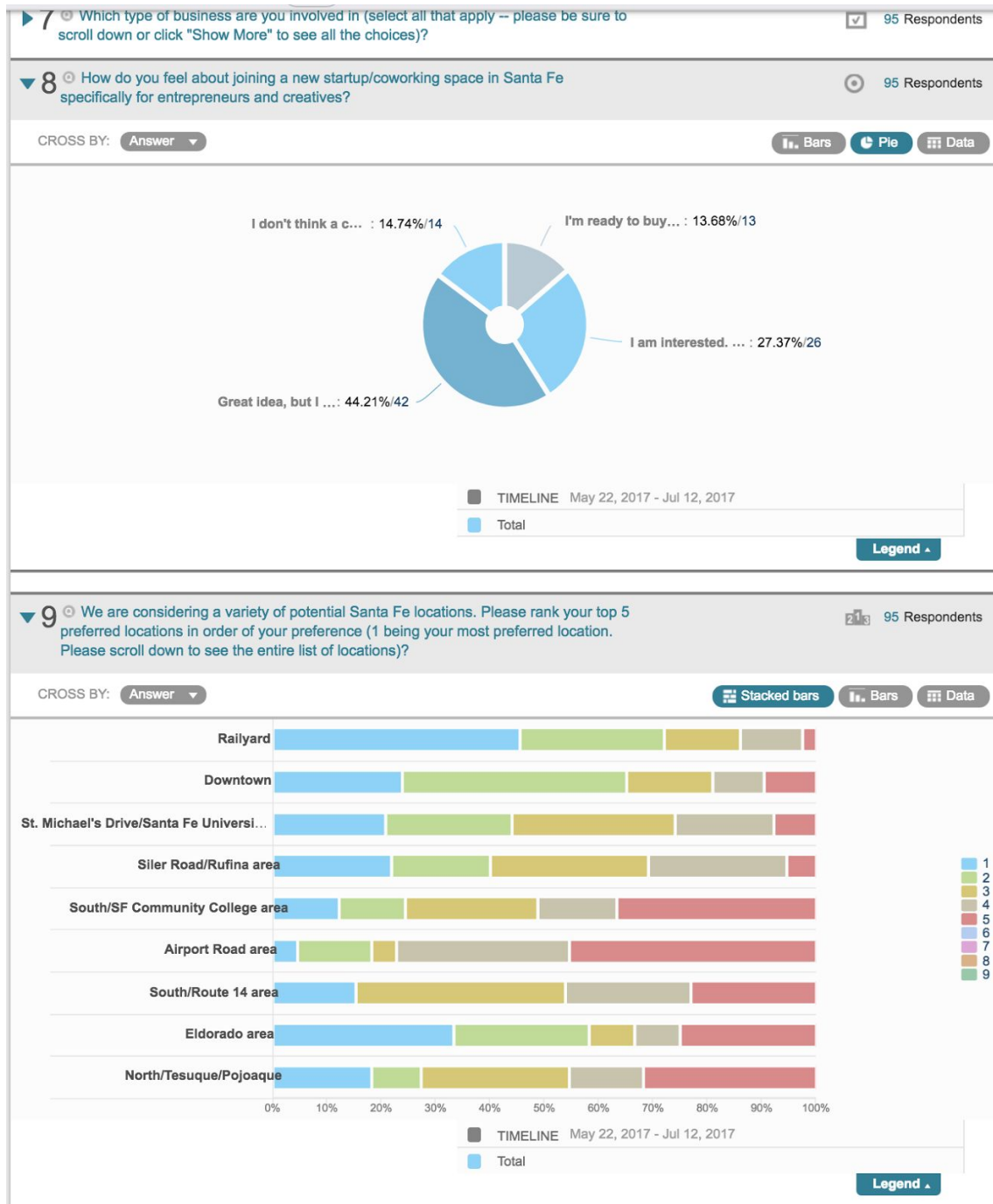
Company - Location	Open Workspace (no dedicated desk)	Open Workspace (dedicated desk)	Private Office/Space	Conference Rooms	Phone Booths	High Speed Wi-Fi	Coffee	Printing Resources	Shipping Services	Community Building Events	Notes	Link	International ?
WeWork - Denver	\$350	\$470-\$550	\$600	✓	✓	✓	✓	✓	✓	✓	Daily cleaning services, bike storage, showers, dog-friendly	https://www.wework.com/	Yes
WeWork - Portland	\$295	\$380-\$400	\$500-\$600	✓	✓	✓	✓	✓	✓	✓	Daily cleaning services, bike storage, showers, dog-friendly	https://www.wework.com/	Yes
WeWork - San Francisco	\$350-\$605	\$550-\$650	\$550-\$1,150	✓	✓	✓	✓	✓	✓	✓	Daily cleaning services, bike storage, showers, dog-friendly	https://www.wework.com/	Yes
Regus - Denver	\$6.90-\$21.10 (daily)	Unlisted	Unlisted	✓	✓	✓	✓	✓	✓	✓	Virtual offices available, Office cleaning and maintenance, 24/7 security	http://www.regus.com/	Yes
Regus - Austin	\$6.60-\$13.60 (daily)	\$8.10-\$60.10 (daily)	\$10.60-\$75.30 (daily)	✓	✓	✓	✓	✓	✓	✓	Virtual offices available, Office cleaning and maintenance, 24/7 security	http://www.regus.com/	Yes
Regus - San Francisco area	\$8.30-\$18.30 (daily)	\$8.40-\$94.10 (daily)	\$11.80-\$154 (daily)	✓	✓	✓	✓	✓	✓	✓	Virtual offices available, Office cleaning and maintenance, 24/7 security	http://www.regus.com/	Yes
Spaces - Denver	\$350	\$480	\$680	✓	Unlisted	✓	✓	Unlisted	✓	✓	24/7 Security, Conference rooms available to non-members, Discounted Ninjas tech support (and many other services)	https://www.spacesworks.com/	Yes
Spaces - San Francisco	\$350	\$510	\$780	✓	Unlisted	✓	✓	Unlisted	✓	✓	24/7 Security, Conference rooms available to non-members, Discounted Ninjas tech support (and many other services)	https://www.spacesworks.com/	Yes
Impact Hub - Boulder	Unlisted	Unlisted	\$400	✓	Unlisted	✓	✓	Unlisted	Unlisted	✓	Additional discounts at local companies, Rates for drop-in, part-time, and full-time workers	https://impacthubboulder.com/	Yes
Impact Hub - Austin	\$300	\$500	Varies	✓	✓	✓	✓	✓	Unlisted	✓	Dog friendly, 24/7 access for some members	https://www.impacthubaustin.com/	Yes
Impact Hub - Salt Lake City	Unlisted	Unlisted	Unlisted	✓	Unlisted	✓	✓	Unlisted	✓	✓	Dog friendly, 24/7 access for some members	https://hubsaltlake.com/	Yes
Impact Hub - New York City	\$225	\$550	Unlisted	✓	Unlisted	✓	✓	✓	✓	✓	Additional discounts at local companies, Rates for drop-in, part-time, and full-time workers (teach with some limitations/restrictions)	https://nyc.impacthub.net/	Yes
Industrious Office - Brooklyn	Unlisted	\$495	\$684+	✓	Unlisted	✓	✓	✓	Unlisted	✓		https://www.industriousoffice.com/locations/brooklyn/	No
Industrious Office - Austin	Unlisted	\$449	\$585+	✓	Unlisted	✓	✓	✓	Unlisted	✓		https://www.industriousoffice.com/locations/austin/	No
Serendipity Labs - Chicago	\$499	\$699	\$1,199	✓	Unlisted	✓	✓	✓	Unlisted	Unlisted		http://serendipitylabs.com/our-locations/chicago-loop/	No
Serendipity Labs - Stamford	\$399	Unlisted	\$649	✓	Unlisted	✓	✓	✓	Unlisted	Unlisted		http://serendipitylabs.com/our-locations/serendipity-labs-stamford-ct/	No
Galvanize - Denver	Unlisted	Unlisted	Unlisted	✓	✓	✓	✓	✓	Unlisted	✓		https://www.galvanize.com/denver-golden-triangle-campus/	No
Galvanize - Austin	Unlisted	Unlisted	Unlisted	✓	✓	✓	✓	✓	Unlisted	✓		https://www.galvanize.com/austin/	No
Galvanize - Phoenix	Unlisted	Unlisted	Unlisted	✓	✓	✓	✓	✓	Unlisted	✓		https://www.galvanize.com/phoenix/	No
Venture X - San Antonio	\$250	\$475	\$650	✓	Unlisted	✓	✓	Unlisted	Unlisted	✓	Weekly catered meals, cleaning services	https://www.venturex.com/locations/texas/san-antonio/	No
Venture X - Naples	\$280	\$565	\$740	✓	Unlisted	✓	✓	Unlisted	Unlisted	✓	Weekly catered meals, cleaning services	https://www.venturex.com/locations/florida/naples/	No
Crossant - Boston	\$29 (10 hours/mo)	\$99 (40 hours/mo)	\$199 (120 hours/mo)	✓	Unlisted	Unlisted	✓	✓	✓	✓		https://www.getcrossant.com/membership	No
Crossant - San Francisco	\$39 (10 hours/mo)	\$129 (40 hours/mo)	\$249 (120 hours/mo)	✓	Unlisted	Unlisted	✓	✓	✓	✓		https://www.getcrossant.com/membership	No
Grind - NoMad	\$400	\$500	Varies	✓	Unlisted	✓	✓	✓	✓	✓	Closed Sundays	http://grind.work/membership/nomad/	No
Grind - FIDI	\$400	\$500	Varies	✓	Unlisted	✓	✓	✓	✓	✓	Closed Sundays	http://grind.work/membership/fidi/	No
Grind - Park	\$375	\$500	Varies	✓	Unlisted	✓	✓	✓	✓	✓	Closed Saturdays and Sundays	http://grind.work/membership/park/	No
The Yard - New York City	\$275	\$400	\$525	✓	Unlisted	✓	✓	✓	✓	Unlisted		https://theyard.nyc/	No
Port Workspaces - Bay Area	\$250	\$350	\$1,200	✓	Unlisted	Unlisted	✓	✓	✓	✓		http://portworkspaces.com/	No
Sandbox Suites - Bay Area	\$200 (promotional, \$325 ordinarily)	\$525	\$1000 (for 2)	✓	Unlisted	✓	✓	✓	✓	✓	Optional VoIP phone service for additional charge.	http://www.sandboxsuites.com/	No
Next Space - San Francisco	\$375	\$475	\$1,300	✓	Unlisted	✓	✓	✓	✓	✓		http://nextspace.us/	No
Ecosystem - San Francisco	\$400+	\$400+	\$1,400 (suite)	✓	Unlisted	✓	✓	✓	✓	✓		http://www.eco-system.com/	No
Parsons - San Francisco	\$325	\$595	\$1,500-\$7,00	✓	Unlisted	✓	✓	✓	✓	✓		http://www.parsons.com/	No
Fat Pipe - Albuquerque	\$300	\$400	Unlisted	✓	✓	✓	✓	✓	Unlisted	Unlisted	Discounted rates for 2x-3x/week rentals	http://fatpipeabq.com/work/	No
Project Y - Los Alamos	\$199	\$299		✓	✓	✓	✓	Unlisted	Unlisted	✓	Closed Saturdays and Sundays	https://www.projectylosalamos.com/en	No
FreeRange - Albuquerque	\$100	\$180	\$400	Unlisted	Unlisted	Unlisted	Unlisted	Unlisted	Unlisted	Unlisted	Closed Sundays (except for Private Officeholders), Amenities unlisted	http://www.freerangespaces.com/	No
Simms Space - Albuquerque	\$190	\$290	\$390	Unlisted	✓	✓	✓	Unlisted	✓	✓	Dog friendly, 24/7 access for all members	http://simmspace.com/	No
American Underground - Nor	Unlisted	Unlisted	Unlisted	✓	✓	✓	✓	Unlisted	Unlisted	✓	Has Google Tech Hub perks/amenities	http://americanunderground.com/	No
Flywheel - Winston-Salem	\$200 (month to month, \$125 w/ 6 mo commitment)	\$300	\$500	✓	✓	✓	✓	✓	✓	✓	Open 7am-11pm, Rec hall (billiards/darts/basketball)	http://flywheelcoworking.com/	No
Research Triangle Project - N	Free	Unlisted	\$375	✓	✓	✓	✓	Unlisted	Unlisted	✓		http://www.rtp.org/	No
Converge - Denver	\$175 (12 days/mo) - \$275 (unlimited)	\$350+		✓	✓	✓	✓	✓	✓	✓	Restricted access for lower-rung members	http://www.convergedenver.com/	No
Village Square - Kansas City	Unlisted	\$300	Unlisted	✓	Unlisted	Unlisted	Unlisted	Unlisted	✓	✓		https://villagesquare.spaces.newodus.com/en	No
Nashville Coworking Alliance	Unlisted	Unlisted	Unlisted	✓	✓	✓	✓	✓	✓	✓	Opportunities for members to display artwork, free gym/shower, dog friendly	http://nashvillecoworking.org/	No

Survey Results

Included in the report packet as .PPTX or online here:

<https://docs.google.com/a/12fps.com/presentation/d/1geR6AdJZv4-InLMjuBMSUWhK4rqFgoZQvSZnYExDz3E/edit?usp=sharing>

Sample from survey



Item B

Report to EDAC on Data Project 2016/17

Grace Brill, Market Intelligence
Solutions LLC

Project Based on OED Desire to...

- Understand current national ED trends
- Get more granular view of what's happening on the ground with local startups
- Establish background for strategy work

Note: This project began before Crossroads Report, but I worked on both efforts so there's a fair amount of cross-pollination

Methods

- Examine current ED research by national thought leaders
- Categorize startups working with OED contractors, supplemented by:
 - ID of key existing companies in the sectors represented by most startups
 - Direct meetings with startups
 - 251 companies categorized (ongoing)
- Brief research into grant opportunities

Key Findings—Company Ecosystem

- Sectors of strength in startup community
 - Manufacturing (food/beverage, artisanal, high-tech)
 - Information/media
 - Professional/tech services
- Created a preliminary list of 50 firms with “scaleup” (rapid growth) potential

Key Findings—Metrics

- Useful to understand various levels, depends on what you want to measure (and why)!
 - System, or overall economic performance, e.g. “economic dashboard” to track outcomes that have been identified as priorities
 - Ecosystem Health, e.g. company spinoff rates
 - Operational, e.g. contractor performance based on stated goals; return on OED investment

Key Findings—OED Operational

- Convening—bringing together ED contractors and/or industry clusters—can be key role for OED
- Inclusion is an important goal
- Data management is important
- External funding should be on the radar

Recommendations: Cautions

Due to staffing shortages and the lack of an overall strategic plan to guide activities, it probably makes sense to wait before assessing or considering the following recommendations...

Recommendations

- Beef up active outreach to companies, starting with scaleup-potential firms
- Expand role in convening (of EDOs & companies, especially sectors highlighted here)
- Use findings from this study to inform planning for outcome measurements in new strategic plan

Recommendations

- Consider Inclusion—while not a specific focus of this study, the issue of ensuring that economic opportunity is broadly shared is an emerging priority of leading communities
 - Should be considered in strategy discussions
- Adopt better data management systems
 - Many findings from this report can be used in design of updated system

Recommendations

- Expand Marketing—there are many opportunities to share success stories, knit community together
 - OED can play a unique, neutral role in supporting this effort
- Explore Funding—several prospects identified, but probably makes sense to wait until priorities and projects are identified as part of strategy before pursuing

Item D



**City's Economic Development Revenue
Stream: Local ED Fund
August 9, 2017**

City of SF Local Economic Development Fund

Overview

- Purpose of ED Fund
- Revenue Stream
- Uses
- Investments



What is the purpose of the ED Fund?

- Identify and restrict funds to implement the goals and strategies of the City's ED Plan (Angelou Plan & ED Implementation Strategy)
- Funding intended to support activities to diversify economy which do not have access to other funding sources.
- The City ED Fund is identified in Chapter 11-14 of the City code and was adopted by Ordinance 2000-16.



ED Fund Revenue Stream

- General Fund - 1% of the city's share of the state gross receipt taxes
- Net proceeds from sale or lease of city owned land under following:
 - ✓ Railyard Property is exempt
 - ✓ SF Estates – net proceeds of land sales after associated costs
 - ✓ Tierra Contenta – Share of revenues from the sale of property to reimburse City for CIP funds
 - ✓ Airport Industrial Park is exempt.
 - ✓ Enterprise Funds Property is exempt
 - ✓ Other agreements subject to other restrictions



Eligible Uses

- Economic Development projects, services or activities defined in the Economic Development Code.
- ED projects, services or activities shall implement the goals, strategies and actions of the ED plan or strategy.
- For ED projects, Qualifying Entities need to be one or a combination of the following:
 - ✓ Manufacturers which assembles or process goods or products
 - ✓ Economic Service companies that export 50% or more of their goods or services out side of New Mexico.
 - ✓ Cultural Facilities
 - ✓ Farmer's Markets or facilities the provide direct sales by growers of agricultural products.
- Each economic development project or activity shall incorporate adequate measures and criteria to evaluate effectiveness and benefit.



ED Services & Activities

- ED Services and activities are fee for service agreements or professional service agreements that are used to achieve specific economic development goals, objectives outlined in the Angelou Plan and ED Implementation Strategy.
- The ED Portfolio is an example of the economic development services:
 - ✓ Santa Fe Business Incubator
 - ✓ Project Agora
 - ✓ SCORE – Business Educational Services
 - ✓ Youthworks
 - ✓ Make Santa Fe



ED Project Investments

- ED Projects is a LEDA investment in a private sector enterprise that serves to implement the goals, strategies, actions or objectives of the economic development plan.
- Examples of economic development project invests are:
 - ✓ Meow Wolf
 - ✓ Second Street Brewery
 - ✓ Warehouse 21
 - ✓ Santa Fe Farmer's Market
 - ✓ Santa Fe Spirits
 - ✓ Wildflower International



Questions and Answers

Fabian Trujillo
Office for Business Growth

