

ACTION SHEET
ITEM FROM FINANCE COMMITTEE MEETING OF 03/21/16
FOR CITY COUNCIL MEETING OF 03/30/16

ISSUE:

29. Request for Approval of a Resolution to Designate Unused Space at 500 Market Station for Entrepreneurial Activities; Directing Staff to Develop an RFP to Identify a Private Sector Partner for the Space; Directing Staff to Identify and Recommend a Revenue Source for Use as Collateral; and Directing Staff to Provide an Update and Recommendations to the Governing Body Within Ninety Days of Adoption of this Resolution. (Mayor Gonzales and Councilors Ives and Dominguez) (Kate Noble and Zachary Quintero)

Committee Review:

City Business Quality of Life Committee (approved)	02/17/16
Public Works Committee (approved)	02/22/16
City Council (scheduled)	03/30/16

Fiscal Impact – No

FINANCE COMMITTEE ACTION:

Approved as discussion item.

FUNDING SOURCE:

SPECIAL CONDITIONS OR AMENDMENTS

Approved with amendments.

STAFF FOLLOW-UP:

VOTE	FOR	AGAINST	ABSTAIN
COUNCILOR VILLAREAL	X		
COUNCILOR IVES	X		
COUNCILOR LINDELL	X		
COUNCILOR HARRIS	X		
CHAIRPERSON DOMINGUEZ			

**ACTION SHEET
ITEM FROM THE
PUBLIC WORKS/CIP AND LAND USE COMMITTEE MEETING
OF
MONDAY, FEBRUARY 22, 2016**

ITEM 15

REQUEST FOR APPROVAL OF A RESOLUTION TO DESIGNATE UNUSED SPACE AT 500 MARKET STATION FOR ENTREPRENEURIAL ACTIVITIES; DIRECTING STAFF TO DEVELOP AN RFP TO IDENTIFY A PRIVATE SECTOR PARTNER FOR THE SPACE; DIRECTING STAFF TO IDENTIFY AND RECOMMEND A REVENUE SOURCE FOR USE AS COLLATERAL; AND DIRECTING STAFF TO PROVIDE AN UPDATE AND RECOMMENDATIONS TO THE GOVERNING BODY WITHIN NINETY DAYS OF ADOPTION OF THIS RESOLUTION (MAYOR GONZALES AND COUNCILOR IVES) (KATE NOBLE/ZACKARY QUINTERO)

PUBLIC WORKS COMMITTEE ACTION: Approved

FUNDING SOURCE:

SPECIAL CONDITIONS / AMENDMENTS / STAFF FOLLOW UP: Add Councilor Dominguez as sponsors

VOTE	FOR	AGAINST	ABSTAIN
CHAIRPERSON TRUJILLO			
COUNCILOR BUSHEE			X
COUNCILOR DIMAS	Excused		
COUNCILOR DOMINGUEZ	X		
COUNCILOR IVES	X		

City of Santa Fe, New Mexico

LEGISLATIVE SUMMARY

Resolution No. 2016-____ Entrepreneurial Space

SPONSOR(S): Mayor Gonzales and Councilors Ives and Dominguez

SUMMARY: The proposed resolution designates unused space at 500 Market Station for entrepreneurial activities; directing staff to develop an RFP to identify a private sector partner for the space; directs staff to identify and recommend a revenue source for use as collateral; and directing staff to provide an update and recommendations to the Governing Body within ninety days of adoption of this resolution.

PREPARED BY: Rebecca Seligman, Legislative Liaison Assistant

FISCAL IMPACT: No

DATE: March 22, 2016

ATTACHMENTS: Amendment
Resolution
FIR

CITY OF SANTA FE, NEW MEXICO
PROPOSED AMENDMENT(S) TO RESOLUTION NO. 2016-____
Entrepreneurial Space

Mayor and Members of the City Council:

I propose the following amendment(s) to Resolution No. 2016-____:

1. On page 3, lines 20-21 *delete* “and recommend a revenue source to use as collateral and/or leverage” and *insert* in lieu thereof “opportunities”

Respectfully submitted,

Michael A. Harris, Councilor

ADOPTED: _____

NOT ADOPTED: _____

DATE: _____

Yolanda Y. Vigil, City Clerk

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CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2016-__

INTRODUCED BY:

Mayor Javier M. Gonzales

Councilor Peter N. Ives

Councilor Carmichael Dominguez

A RESOLUTION

TO DESIGNATE UNUSED SPACE AT 500 MARKET STATION FOR
ENTREPRENEURIAL ACTIVITIES; DIRECTING STAFF TO DEVELOP AN RFP TO
IDENTIFY A PRIVATE SECTOR PARTNER FOR THE SPACE; DIRECTING STAFF
TO IDENTIFY AND RECOMMEND A REVENUE SOURCE FOR USE AS
COLLATERAL; AND DIRECTING STAFF TO PROVIDE AN UPDATE AND
RECOMMENDATIONS TO THE GOVERNING BODY WITHIN NINETY DAYS OF
ADOPTION OF THIS RESOLUTION.

WHEREAS, Santa Fe is internationally known for its creative culture and diverse group
of artisans and entrepreneurial people and;

WHEREAS, Santa Fe has a robust culture of entrepreneurship, and strong support for
local businesses throughout the community; and

WHEREAS, as Santa Fe builds its commercial base through development and
nourishment of local startups, office space and infrastructure development are key needs to ensure
success; and

1 **WHEREAS**, economic diversity is a needed pillar for sustainable growth and job
2 creation in Santa Fe and;

3 **WHEREAS**, in order to compete regionally, nationally and internationally, the city must
4 position itself as a competitive location with broadband infrastructure and;

5 **WHEREAS**, Santa Fe Fiber, an innovative broadband infrastructure project providing
6 the first gigabit district in the city was recently built and activated in the Railyard area of Santa
7 Fe; and

8 **WHEREAS**, local startup companies benefit greatly from high speed internet access,
9 allowing for collaboration between innovative companies across the city, and across the country;
10 and

11 **WHEREAS**, there is a rapid demand to support entrepreneurs with reliable broadband so
12 they can fully develop and advance their businesses and;

13 **WHEREAS**, fostering an entrepreneurial ecosystem is a key part of the economic
14 development plan for the City and;

15 **WHEREAS**, the Kauffman Foundation has repeatedly cited co-working as a priority that
16 cities should include if they wish to fully develop their entrepreneurs.

17 **WHEREAS**, City staff has identified 7,942 square feet of available space at 500 Market
18 Station that can be designated as an entrepreneurial center with high speed broadband and;

19 **WHEREAS**; the designation of this space can serve as a catalyst and driver of economic
20 growth in the Santa Fe business and entrepreneurial community via co-working or other
21 entrepreneurial events;

22 **WHEREAS**, a leading think tank and research firm OfficeVibe estimated that by 2020,
23 40 percent of the US labor force will be freelancers, temps, independent contractors, or solo
24 entrepreneurs and;

25 **WHEREAS**, in the same study it was found that over 90 percent of people in co-working

1 spaces were under 40 years of age and;

2 **WHEREAS**, the study also found that individuals established in co-working
3 environments saw their income increase by 50 percent and;

4 **WHEREAS**, the space in Market Station can serve both the community and
5 entrepreneurial population if it were to become officially designated.

6 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
7 **CITY OF SANTA FE**

8 The unused city owned space in Market Station shall be designated for entrepreneurship
9 activities which should include but are not limited to developing a high-tech cluster around
10 gigabit broadband access, co-working space, events, accelerator programs, and other
11 entrepreneurship focused collaborative efforts; and

12 **BE IT FURTHER RESOLVED;** staff is directed to develop a Request for Proposals
13 (RFP) to identify a private sector partner for buildout, business planning and management of the
14 space; and

15 **BE IT FURTHER RESOLVED** that staff is also directed to create, assess, and analyze
16 demand and provide options and recommendations for potential uses of the space and models to
17 adopt for operation of a self-sustaining entrepreneurial space – this analysis should take into
18 account the specific needs of local entrepreneurs as well as the demographics of the City of Santa
19 Fe; and

20 **BE IT FURTHER RESOLVED;** City staff should identify and recommend a revenue
21 source to use as collateral and/or leverage for private financing of the buildout of the space and
22 develop a financial model for a sustainable, low-risk, operation of the space in partnership with
23 the private sector; and

24 **BE IT FURTHER RESOLVED;** staff will provide an update and recommendations to
25 the Governing Body within ninety (90) days of the adoption of this resolution.

1 PASSED, APPROVED AND ADOPTED this _____ day of _____, 2016.

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JAVIER M. GONZALES, MAYOR

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ATTEST:

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YOLANDA Y. VIGIL, CITY CLERK

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APPROVED AS TO FORM:

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KELLEY A. BRENNAN, CITY ATTORNEY

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M/Legislation/Resolutions 2016/Entrepreneurial Space

**City of Santa Fe
Fiscal Impact Report (FIR)**

This Fiscal Impact Report (FIR) shall be completed for each proposed bill or resolution as to its direct impact upon the City's operating budget and is intended for use by any of the standing committees of and the Governing Body of the City of Santa Fe. Bills or resolutions with no fiscal impact still require a completed FIR. Bills or resolutions with a fiscal impact must be reviewed by the Finance Committee. Bills or resolutions without a fiscal impact generally do not require review by the Finance Committee unless the subject of the bill or resolution is financial in nature.

Section A. General Information

(Check) Bill: _____ Resolution: _____

(A single FIR may be used for related bills and/or resolutions)

Short Title(s): **A RESOLUTION TO DESIGNATE UNUSED SPACE AT 500 MARKET STATION FOR ENTREPRENEURIAL ACTIVITIES; DIRECTING STAFF TO DEVELOP AN RFP TO IDENTIFY A PRIVATE SECTOR PARTNER FOR THE SPACE; DIRECTING STAFF TO IDENTIFY AND RECOMMEND A REVENUE SOURCE FOR USE AS COLLATERAL; AND DIRECTING STAFF TO PROVIDE AN UPDATE AND RECOMMENDATIONS TO THE GOVERNING BODY WITHIN NINETY DAYS OF ADOPTION OF THIS RESOLUTION.**

Sponsor(s): Mayor Gonzales

Reviewing Department(s): Economic Development Division

Persons Completing FIR: Zackary Quintero Date: 1/27/16 Phone: x6042

Reviewed by City Attorney: *Kelley A. Brennan* Date: 2/3/16
(Signature)

Reviewed by Finance Director: *[Signature]* Date: 2-5-2016
(Signature)

Section B. Summary

Briefly explain the purpose and major provisions of the bill/resolution:

This resolution would dedicate approximately 7,942 square feet of unused space at 500 Market Station to be used as a collaborative entrepreneurial space to facilitate business development. A competitive process would identify a private sector partner for buildout, planning, and management of the space. Staff would also analyze demand and needs for operation of the space taking into account specific needs of local entrepreneurs and city demographics.

Section C. Fiscal Impact

Note: Financial information on this FIR does not directly translate into a City of Santa Fe budget increase. For a budget increase, the following are required:

- a. The item must be on the agenda at the Finance Committee and City Council as a "Request for Approval of a City of Santa Fe Budget Increase" with a definitive funding source (could be same item and same time as bill/resolution)
- b. Detailed budget information must be attached as to fund, business units, and line item, amounts, and explanations (similar to annual requests for budget)
- c. Detailed personnel forms must be attached as to range, salary, and benefit allocation and signed by Human Resource Department for each new position(s) requested (prorated for period to be employed by fiscal year)*

1. Projected Expenditures:

- a. Indicate Fiscal Year(s) affected – usually current fiscal year and following fiscal year (i.e., FY 03/04 and FY 04/05)
- b. Indicate: "A" if current budget and level of staffing will absorb the costs
"N" if new, additional, or increased budget or staffing will be required
- c. Indicate: "R" – if recurring annual costs
"NR" if one-time, non-recurring costs, such as start-up, contract or equipment costs
- d. Attach additional projection schedules if two years does not adequately project revenue and cost patterns
- e. Costs may be netted or shown as an offset if some cost savings are projected (explain in Section 3 Narrative)

Finance Director: *[Signature]*

Check here if no fiscal impact

Column #:	1	2	3	4	5	6	7	8
	Expenditure Classification	FY _____	"A" Costs Absorbed or "N" New Budget Required	"R" Costs Recurring or "NR" Non-recurring	FY _____	"A" Costs Absorbed or "N" New Budget Required	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected

Personnel*	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Fringe**	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Capital Outlay	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Land/ Building	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Professional Services	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
All Other Operating Costs	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____
Total:	\$ _____	_____	_____	\$ _____	_____	_____	_____	_____

* Any indication that additional staffing would be required must be reviewed and approved in advance by the City Manager by attached memo before release of FIR to committees. **For fringe benefits contact the Finance Dept.

2. Revenue Sources:

- a. To indicate new revenues and/or
- b. Required for costs for which new expenditure budget is proposed above in item 1.

Column #:	1	2	3	4	5	6
	Type of Revenue	FY _____	"R" Costs Recurring or "NR" Non-recurring	FY _____	"R" Costs – Recurring or "NR" Non-recurring	Fund Affected

_____	\$ _____	NR	\$ _____	_____	_____	_____
_____	\$ _____	_____	\$ _____	_____	_____	_____
_____	\$ _____	_____	\$ _____	_____	_____	_____
Total:	\$ _____	_____	\$ _____	_____	_____	_____

3. Expenditure/Revenue Narrative:

Explain revenue source(s). Include revenue calculations, grant(s) available, anticipated date of receipt of revenues/grants, etc. Explain expenditures, grant match(s), justify personnel increase(s), detail capital and operating uses, etc. (Attach supplemental page, if necessary.)

The resolution outlines the need for staff to research and recommend a private revenue source for the city to partner with.

Section D. General Narrative

1. Conflicts: Does this proposed bill/resolution duplicate/conflict with/companion to/relate to any City code, approved ordinance or resolution, other adopted policies or proposed legislation? Include details of city adopted laws/ordinance/resolutions and dates. Summarize the relationships, conflicts or overlaps.

None identified.

2. Consequences of Not Enacting This Bill/Resolution:

Are there consequences of not enacting this bill/resolution? If so, describe.

The city would not use nearly 8000 square feet of space at Market Station. This space would continue to sit unused. There is also the factor of the need for a central space in the Railyard used for entrepreneurs and business related events. Additionally, both factor in to an expressed need for tourism and foot traffic for vendors in the area.

3. Technical Issues:

Are there incorrect citations of law, drafting errors or other problems? Are there any amendments that should be considered? Are there any other alternatives which should be considered? If so, describe.

None identified.

4. Community Impact:

Briefly describe the major positive or negative effects the Bill/Resolution might have on the community including, but not limited to, businesses, neighborhoods, families, children and youth, social service providers and other institutions such as schools, churches, etc.

The build out of this space will provide the community surrounding market station, in addition to the greater Santa Fe area, with a designated location for entrepreneurial activities with high speed broadband. This will be a positive impact for businesses, solo entrepreneurs, youth, and the surrounding neighborhood because the space serves as both a workspace and event space. Businesses will see additional foot traffic and potential new patrons in the Market Station area and those who are looking for an area to work online will have this space. Furthermore, events that will take place in the space are meeting a need expressed the entrepreneurial tech community and tourism. This need is having a space to support Market as an area where community activities are happening and people can work with fast broadband.
