

## SOLE SOURCE REQUEST AND DETERMINATION FORM

This form must be forwarded to the Purchasing Officer for the City of Santa Fe Purchasing Office for processing.

Date: November 23, 2015

Prepared By: Kate Noble

Title: Acting Director, Housing and  
Community Development  
Department

Vendor Name: Regional Development Corporation (RDC)

Address: PO Box 2698

City: Espanola

State: NM

Zip Code: 87532

Description of Good/Service to be Procured: Administration of a citywide entrepreneurial support program

Estimated Cost: \$40,000

Term of Contract: Through January 30,  
2017

1. Explain why this is the only available source that can meet the needs of your department.

The City of Santa Fe's Economic Development Division (EDD) both invests in and partners to provide business support programs to local Santa Fe businesses. For ten years the Venture Acceleration Fund (VAF) has been and still is the only open application program for funding companies who are on track to add jobs, grow revenues, or attract follow-on investment. It is a program managed and administered by the Regional Development Corporation (RDC); whose aim is to create and retain jobs in northern New Mexico.

The criteria for participation along with the through process of administration by the RDC, creates a one of a kind program, with experienced administration, benchmarking and a broad based selection process.

2. Explain why this vendor is the only available source from which to obtain this product of service.

The company has affirmed (memo from vendor is attached) that there is no other source for this item. Our search for possible vendors proved unsuccessful; or

Other reason, please explain in full. Attach additional sheets, if necessary.

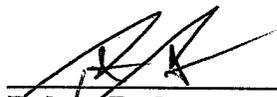
The VAF program will use its ten year model to provide vital assistance to local Santa Fe businesses. This is the only program in the state that provides support to local companies that are not ready for equity investment, but unable to get bank financing. It also supports companies who will not need additional investment but can use a one-time cash infusion to achieve growth goals. This contract and program has received additional funding from a public / private partnership in cooperation with local Counties, and the manufacturing extension program (MEP). In 2015 the Federal Economic Development Administration (EDA) gave \$248,000 to support the administrative expansion of this regional program.

4. Describe the efforts made to obtain the best possible price from this sole source vendor for the taxpayers. What (if any) is the total cost savings from the original quote? (Attach additional sheets, if necessary.)

SEE Attached memo-

**Approvals:**

Based on the above facts, the Purchasing Office has made the determination that the justification for the Sole Source procurement is in accordance with Section 13-1-126, NMSA 1978 and will be posted for a 30-day period prior to award.

  
\_\_\_\_\_  
Robert Rodarte  
Purchasing Officer

Date

Pursuant to Section 13-1-126, NMSA 1978, the 30-day posting period of the Notice of Intent to Award this Sole Source request was met and no obligation to the award to the above





**DATE:** November 23, 2015  
**TO:** Robert Rodarte, Purchasing Director ✓  
**VIA:** Kate Noble Acting Director, Housing and Community Development Department  
**FROM:** Ross Chaney, Economic Development Specialist, Economic Development Division  
**RE:** Sole Source for Regional Development Corporation Contract – Venture Acceleration Fund

**Background:**

The City Economic Development Division has identified the need for start-up funding as a crucial gap in the business development landscape. The Venture Acceleration Fund (VAF) is the only business development tool which assists in this supporting businesses which are not candidates for traditional venture investment. Because Santa Fe is the metro area for LANL and the Regional Development Corporation, this community has always disproportionately benefitted from companies receiving VAF funds. VAF staff have identified that the projects 'next on the list' to receive funds each year are generally Santa Fe companies, many of which need only a modest amount to take the next step in their business.

**Unique Qualifications:**

Over ten years, the VAF has a proven track record, established metrics supported by the experience and expertise of the staff. This includes the selection process, then negotiations and drafting of contracts, and tracking of benchmarks and long term reporting. The City of Santa Fe will pay no administration fees as part of this contract. The City retains the right to overrule any use of these funds. Also, the City will be supporting, leveraging and amplifying the work of key regional partners, which is an explicit goal of the Economic Development Division and also supports the City economic development plan.

In 2015 the VAF program, awarded \$144,000 in which two of the four awardees were a health technology and solar technology companies in the City of Santa Fe. Contributing partners were; Los Alamos National Security (LANS); New Mexico Manufacturing Extension Partnership (MEP); Santa Fe County and Los Alamos County. In the 2014 VAF program, a total of \$407,000 was awarded to 10 companies. Five of the ten companies selected for 2014 VAF funding are based in Santa Fe. Of these Santa Fe companies three are technology companies, one is in product retail and the fifth one is ecology restoration services. A total of \$180,000 was awarded to these five Santa Fe companies.

**Request and Recommendation:**

Staff recommends approval of the sole source request for the professional services agreement with the Regional Development Corporation for \$40,000 inclusive of applicable gross receipts tax.

Approved       Not Approved

A handwritten signature in black ink, appearing to be "R. Rodarte", written over a horizontal line.

Robert Rodarte, Purchasing Officer

A handwritten date "12/1/15" in black ink, written above a horizontal line.

Date



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KN  
RS

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