

Agenda

DATE 10/21/15 TIME 8:58

SERVED BY Jessica Sandoval

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ECONOMIC DEVELOPMENT REVIEW SUB-COMMITTEE

Market Station

500 Market Street, Suite 200

Roundhouse Conference Room

Monday, October 26, 2015

3:30 pm

I. PROCEDURES

A. Roll Call

B. Approval of Minutes

a. October 5, 2015

C. Approval of Agenda

II. REPORTS (none)

III. UNFINISHED BUSINESS (none)

IV. NEW BUSINESS

A. Request for approval of Professional Services Agreement – Santa Fe Business Incubator Amendment #3 (RFP/12/23P) - (Ross Chaney).

B. Request for approval of Professional Services Agreement –ABQid – (Kate Noble)

V. INFORMATIONAL ITEMS

VI. ITEMS FROM THE COMMITTEE

VII. ITEMS FROM STAFF

VIII. NEXT MEETING DATE – Meet as needed

IX. ADJOURN

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

**SUMMARY OF ACTION
ECONOMIC DEVELOPMENT REVIEW SUBCOMMITTEE
October 26, 2015**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
CALL TO ORDER		1
ROLL CALL	QUORUM	1
APPROVAL OF AGENDA	APPROVED	1
APPROVAL OF MINUTES October 5, 2015	APPROVED	1
REPORTS	NONE	2
UNFINISHED BUSINESS	NONE	2
 <u>NEW BUSINESS</u>		
REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT - SANTA FE BUSINESS INCUBATOR AMENDMENT #3 (RFP/12/23P)	APPROVED	2-3
REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT - ABQID	APPROVED	3-6
INFORMATIONAL ITEMS	NONE	6
ITEMS FROM THE COMMITTEE	NONE	6
ITEMS FROM STAFF	NONE	6
NEXT MEETING DATE	AS NEEDED	6
ADJOURN	ADJOURNED	6

**ECONOMIC DEVELOPMENT REVIEW SUBCOMMITTEE
Monday, October 26, 2015, 3:30 pm
Market Station Conference Room
500 Market Street, Santa Fe, New Mexico**

1. PROCEDURES

A regular meeting of the Economic Development Review Subcommittee was called to order by Vice Chair Kathy Keith at approximately 3:30 pm on Monday, October 26, 2015, at the Market Street Conference Room, Santa Fe, New Mexico.

A. ROLL CALL

MEMBERS PRESENT

Cervantes "Buddy" Roybal
Kathy Keith, Vice chair
Lisa Alejandro

MEMBERS ABSENT

Simon Brackley, Chair, Excused
Damien Taggart, Excused

OTHERS PRESENT

Kate Noble, Economic Development Department Director
Ross Chaney, Economic Development Specialist
Lori Upham, Executive Director, ABQid
Pat McNamara, Marketing Consultant, ABQid
Sean O'Shea, Santa Fe Business Incubator
Elizabeth Martin, Stenographer

B. APPROVAL OF MINUTES OF OCTOBER 5, 2015

MOTION A motion was made by Mr. Roybal, seconded by Ms. Alejandro, to approve the minutes as presented.

VOTE The motion passed unanimously by voice vote.

C. APPROVAL OF AGENDA

MOTION A motion was made by Mr. Roybal, seconded by Ms. Alejandro, to approve the agenda as presented.

VOTE The motion passed unanimously by voice vote.

2. REPORTS

There were no reports.

3. UNFINISHED BUSINESS

There was no unfinished business.

4. NEW BUSINESS

A. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT - SANTA FE BUSINESS INCUBATOR AMENDMENT #3 (RFP/12/23P)

Mr. Chaney stated that all the pertinent information is in the packet. He reviewed the packet information.

Mr. Roybal asked for more information on Incutrack.

Mr. O'Shea said Incutrack is a program for gathering information and preserving information. We are asking for additional monies for it in this Amendment. It streamlines the operations of the Incubator and makes the application process paperless.

Mr. Chaney said it sits on top of their website for applications and tracking.

Mr. Roybal asked what is the cost and the number of extra personnel needed to do this.

Mr. Chaney said the background information is in the packet. You are approving the contract today.

Ms. Alejandro asked who has access to the information.

Mr. O'Shea said it depends on what information we are talking about. Operations information is accessible by the Incubator and information such as scheduling meeting rooms is available for the clients.

Ms. Nobel said you have the entire contract information in the packet. The RFP was let three years ago. This is the third Amendment. This is for the license purchase for Incutrack.

Chair Keith asked do we anticipate this as a yearly license renewal.

Mr. Cheney said yes.

MOTION A motion was made by Mr. Roybal, seconded by Ms. Alejandro, to approve the Amendment.

VOTE The motion passed unanimously by voice vote.

B. REQUEST FOR APPROVAL OF PROFESSIONAL SERVICES AGREEMENT - ABQid

Ms. Nobel said ABQid was selected through the RFQ process to run an Accelerator. They provide equity funding and seed money and their money is highly leveraged. The total budget is \$65,000. That does not include the \$20,000 equity investments that they award to companies selected to be in the Accelerator.

Mr. Roybal asked is it \$20,000 per company.

Ms. Upham said we have two components of the Accelerator. The fund and the program. We are asking Santa Fe to help us fund the program which we will bring to Santa Fe. The fund is private investors. We invest \$20,000 per selected company for 6% equity in the company in return. Not all of them want this investment. If they are accepted into the program, it is for twelve weeks and we make them as investment ready as we can. We will call on the Santa Fe community and mentors. It will become a Santa Fe individualized program.

Mr. Roybal asked are the type of companies you admit specific.

Ms. Upham said we are open to all types of companies. They come sometimes with no money and sometimes with investors. A lot of them are run by an individual. They looking for professional help to move forward.

Ms. Alejandro asked what are you teaching them.

Ms. Upham said this program has been in existence for twelve years. We work with them on leadership, accounting and financing, and networking. We give them lots of resources as well.

Mr. Roybal said the contract is for \$45,000. What are the phases.

Ms. Upham said phase one is building the curriculum and tailoring it to Santa Fe. The hardest part is interviewing companies and picking the companies. That is phase

two. Phase three is the company's pitch to the Board. The Board will decide who gets accepted.

Mr. Roybal asked how many companies do you accept.

Ms. Upham answered, four to six companies. This is a pilot program.

Mr. Roybal asked how many weeks.

Ms. Upham answered it is a twelve week program. At the end, we have a demo day.

Mr. Roybal asked is it possible to get more information on this. This is very general. It does not give me enough information.

Ms. Nobel said all of that information is included in the memo in the packet.

Mr. Roybal said he sees it now.

Mr. Roybal asked how are you doing in Albuquerque and how long have you been doing it.

Ms. Upham said we have been in existence for two years and have had two cycles of participants. The first year, we had eighty-eight applicants, twelve were accepted. Eleven of the companies were provided with the investment and eleven completed the twelve week program. The second year we had one hundred twenty-five applicants. Fourteen were accepted. Ten completed the program. Seven were funded with the \$20,000 investment.

Mr. Roybal asked how will this be advertised for Santa Fe businesses.

Ms. Nobel said we will be pushing it out and using our resources like the newsletter and Facebook page.

Ms. Upham said we have already started working on mentors in the community and have had a good response. We do press as well. There is a lot of interest.

Mr. Roybal asked can you tell us some of your success stories in Albuquerque.

Ms. Upham said one of the best is Inobrite. It uses a math program developed at UNM. It is a pressure analysis company, developed with UNM. It also can use sensors that are built into a skull cap that indicates damage from sports. The Gladiators Professional Arena Football League in Albuquerque has signed up for that application.

Ms. Alejandro said you are doing this annually in Albuquerque now. Will you

follow the same model in Santa Fe.

Ms. Upham said we would like to. We will bring in our key people and use local people as well.

Mr. Roybal asked where does your other funding come from.

Ms. Upham said in Albuquerque, it is the City of Albuquerque. The Mayor started this. We turned the crank.

Ms. Alejandro asked how does this differ from Velocity Project.

Ms. Nobel said the Velocity Project went defunct. We lost the team to run it. In this proposal they have a team to run it. We will be watching to see if we have big venture capital plays and potentially profitable exits.

Chair Keith said talk to us about the equity and terms.

Ms. Upham said for the \$20,000 investment we ask for 6% equity. You are also getting an enormous program.

Mr. Roybal said Albuquerque already paid for the learning curve so we will benefit from that.

MOTION A motion was made by Mr. Roybal, seconded by Ms. Alejandro, to approve the project and funding.

Ms. Alejandro asked the companies you look at, are they just starting out or in motion.

Ms. Upham said some people just have an idea. If they have an idea that we can work with them on we do. We help them to get to a place to take an investment.

Ms. Nobel said as part of the outreach we would put out a direct email to BIZ graduates and make a Santa Fe contact list as well. We will have coordination with other programs funded by the city.

Ms. Upham said Start Up Weekend is coming up. Maybe we can make a spot for the winner of Start Up Weekend.

Chair Keith said the equity fund needs to be very transparent.

Ms. Upham said the fund is private investors.

Chair Keith asked are the investors Board members and what is their expected return.

Ms. Upham said we have several investors on the Board but many others that are not on the Board. They are also mentors. The fund is designed to bring a return as the company grows and makes a profit.

VOTE The motion passed unanimously by voice vote.

5. INFORMATIONAL ITEMS

There were no informational items.

6 ITEMS FROM THE COMMITTEE

There were no items from the Committee.

7. ITEMS FROM STAFF

There were no items from staff.

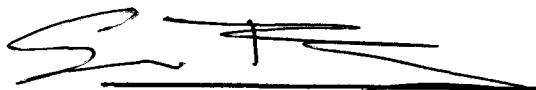
8. NEXT MEETING DATE - MEET AS NEEDED

9 ADJOURN

MOTION A motion was made by Mr. Roybal, seconded by Ms. Alejandro, to adjourn the meeting.

VOTE The motion was passed unanimously by voice vote.

The meeting adjourned at 4:48 pm.



Simon Brackley, Chair



Elizabeth Martin, Stenographer