



Agenda DATE 7/7/16 TIME 4:02pm

PREPARED BY Jessica Sandoval

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ECONOMIC DEVELOPMENT REVIEW SUB-COMMITTEE

Market Station

500 Market Street, Suite 200

Round House Conference Room

Monday, July 11, 2016

3:30 pm

- I. PROCEDURES
 - A. Roll Call
 - B. Approval of Minutes – May 31, 2016
 - C. Approval of Agenda

- II. REPORTS (none)

- III. UNFINISHED BUSINESS (none)

- IV. NEW BUSINESS
 - A. Request for approval of nine professional services agreements for the FY 2016/17 economic development portfolio from RFPs for projects in Business/Entrepreneurial Development and Workforce/Talent Development (Kate Noble, Ross Chaney, Zackary Quintero)
 - 1. Santa Fe Business Incubator
 - 2. Youthworks - Workforce Innovation Program
 - 3. 12fps - Coworking Business Plan
 - 4. Market Intelligence Solutions - Data Analysis
 - 5. Building Solutions, LLC - Local Lending Solutions
 - 6. Siete Del Norte - Inspire Santa Fe Mentorship Program
 - 7. Make Santa Fe - Digital Fabrication Training
 - 8. Regional Development Corporation - Venture Acceleration Fund
 - 9. SFid - High Growth Business Accelerator

 - B. Request for approval of Amendments to other professional services agreements in the economic development portfolio (Kate Noble, Fabian Trujillo)
 - 1. SCORE Business Education Program - Amendment No 1
 - 2. Andrea Romero Consulting - MIX Santa Fe - Amendment No ?

- V. INFORMATIONAL ITEMS

- VI. ITEMS FROM THE COMMITTEE

- VII. ITEMS FROM STAFF

- VIII. NEXT MEETING DATE – Meet as needed

- IX. ADJOURN

**ECONOMIC DEVELOPMENT REVIEW SUBCOMMITTEE
MARKET STATION, ROUND HOUSE CONFERENCE ROOM
500 MARKET STREET, SUITE 200
MONDAY, JULY 11, 2016, 3:30 PM**

<u>ITEM</u>	<u>ACTION</u>	<u>PAGE</u>
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APPROVAL OF MINUTES MAY 31, 2016	APPROVED	1-2
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<u>NEW BUSINESS</u>		
REQUEST FOR APPROVAL OF NINE PROFESSIONAL SERVICES AGREEMENTS FOR THE FY 2016/2017 ECONOMIC DEVELOPMENT PORTFOLIO FROM RFPS FOR PROJECTS IN BUSINESS/ENTREPRENEURIAL DEVELOPMENT AND WORKFORCE/TALENT DEVELOPMENT		2-3
SANTA FE BUSINESS INCUBATOR	APPROVED	3-4
YOUTHWORKS - WORKFORCE INNOVATION PROGRAM	APPROVED	4
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MARKET INTELLIGENCE SOLUTIONS - DATA ANALYSIS	APPROVED	6-7
BUILDING SOLUTIONS, LLC - LOCAL LENDING SOLUTIONS	APPROVED	7-9
SIETE DEL NORTE - INSPIRE SANTA FE MENTORSHIP PROGRAM	APPROVED	9-10
MAKE SANTA FE - DIGITAL FABRICATION TRAINING	APPROVED	10
REGIONAL DEVELOPMENT CORPORATION - VENTURE ACCELERATION FUND	APPROVED	10-11
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<u>REQUEST FOR APPROVAL OF AMENDMENTS TO OTHER PROFESSIONAL SERVICES AGREEMENTS IN THE ECONOMIC DEVELOPMENT PORTFOLIO</u>		
SCORE - BUSINESS EDUCATION PROGRAM	APPROVED	11-13
ANDREA ROMERO CONSULTING - MIX SANTA FE	APPROVED	13-14
INFORMATIONAL ITEMS	NONE	14
ITEMS FROM STAFF	NONE	14
NEXT MEETING DATE	MEET AS NEEDED	14
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**ECONOMIC DEVELOPMENT REVIEW SUBCOMMITTEE
MARKET STATION, ROUND HOUSE CONFERENCE ROOM
500 MARKET STREET, SUITE 200
MONDAY, JULY 11, 2016, 3:30 PM**

I. PROCEDURES

The meeting of the Economic Development Review Subcommittee was called to order by Chair Simon Brackley at 3:30 pm, on Monday, July 11, 2016, at Market Station in the Round House Conference Room, 500 Market Street, Suite 200, Santa Fe, New Mexico.

A. ROLL CALL

MEMBERS PRESENT

Simon Brackley, Chair
Kathy Keith, Vice Chair
Lisa Alejandro
Cervantes "Buddy" Roybal

MEMBERS ABSENT

Damon Taggart, Excused/Recused himself

OTHERS PRESENT

Kate Noble
Fabian Trujillo
Ross Chaney
Zachary Quintero
Katie Updike, Building Solutions
Marie Longserre, Santa Fe Business Incubator
Ray Berger, SCORE
Elizabeth Martin, Stenographer

B. APPROVAL OF MINUTES

MAY 31, 2016

Mr. Brackley said on page 9 , the last line name his name is misspelled.

Ms. Noble said on the same page her name is misspelled as well.

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

minutes as amended.

VOTE The motion passed unanimously by voice vote.

C. APPROVAL OF AGENDA

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

VOTE The motion passed unanimously by voice vote.

II. REPORTS

None

III. UNFINISHED BUSINESS

None

IV. NEW BUSINESS

A. REQUEST FOR APPROVAL OF NINE PROFESSIONAL SERVICES AGREEMENTS FOR THE FY 2016/17 ECONOMIC DEVELOPMENT PORTFOLIO FROM RFPS FOR PROJECTS IN BUSINESS/ENTREPRENEURIAL DEVELOPMENT AND WORKFORCE/TALENT DEVELOPMENT

Ms. Noble said she hoped everyone had a chance to read the memo on the background of this fund and the applicants information in your packet. This is funding and approval for the fiscal year that began on July 1. We are looking at eight contracts, number 9 on the list is on hold. The projects selected were selected from responses to two parallel RFPS and some projects procured separately that tie into the work of staff. These have not been brought to this Committee before but we wanted your recommendations. We feel this is a strong portfolio. The Incubator and Youthworks were each scored the highest in their categories and we are recommending that they receive the largest chunks of funding. The other contracts are much smaller numbers.

Chair Brackley said there were thirty three proposals that came to the RFP Committee. He was a member of that Committee. These are a range of sectors that this investment is designed to support. It is a very well rounded portfolio of investments. The Committee was very aware of focusing on a broad range of programs and ideas.

Mr. Roybal asked on Make Santa Fe can you explain it a bit more.

Ms. Noble said it is digital and manufacturing training. They will work with the Parachute Factory, a maker space, in Las Vegas, NM. It will be a beneficial partnership. They will use their expertise and create a certification process that will take place here and launch here.

Mr. Roybal asked do they have any partnerships with any youth organizations.

Ms. Noble said yes, with Youthworks. It is a significant partnership.

Mr. Roybal said it is worthwhile as long as they have partnerships.

Ms. Noble said they are housed in Meow Woof so they are partners with them as well.

Chair Brackley said we will start with number one for discussion.

1. SANTA FE BUSINESS INCUBATOR

Mr. Roybal said we all are familiar with the Incubator.

MOTION A motion was made by Mr. Roybal, seconded by Kathy Keith, to approve the Santa Fe Business Incubator Agreement.

Ms. Longserre said she is not familiar with 12fps. She know we want to all work together. We are working on possibly starting a coworking space at the Santa Fe Downtown Library. Maybe we can work with them and help with coworking as well. Is this something we could partner with.

Ms. Noble said absolutely, we would want to facilitate that partnership. They are working together to think through how a coworking model could thrive in Santa Fe. The idea was directed by the Mayor and the Council. They have been spending some time on this and submitted a proposal with an idea of an entrepreneur in residence program with an entrepreneur from Silicon Valley. Part of our objective is to facilitate partnerships throughout all of the proposals.

Ms. Alejandro asked in the Incubator contract there is a discussion of metrics. The Incubator has been around for a while. Do they have metrics. Were they in the proposal.

Ms. Noble said yes. Marie Longserre, here with us, is the Executive Director. Their quarterly reports are publically available. They have been tracking outcomes for

twenty years. Job creation, investment and funding for the Incubator are out of the park.

Ms. Longserre said the companies we work with are pre revenue for many of them. They bring in between \$11 million and \$14 million a year. Most of it is outside of the community investments. Regarding job creation, since we reached full size in 2001 we have created thirty to forty jobs a year. This was during the time before the companies have reached their full potential.

VOTE The motion passed unanimously by voice vote.

2. YOUTHWORKS - WORKFORCE INNOVATION PROGRAM

MOTION A motion was made by Mr. Roybal, seconded by Ms. Keith to approve the Youthworks agreement.

Ms. Keith said talk to us a bit on how they did this year as far as metrics.

Mr. Quintero said they performed above their metric in placements. They successfully implemented their metrics and were recognized nationally by Youthbuild for there services to disconnected youth and for the impact of their placements. They are increasing the hours for soft skills and job training in this contract to twenty hours per person. They also provide entrepreneurship training and transition to full time employment.

VOTE The motion passed unanimously by voice vote.

3. 12FPS - COWORKING BUSINESS PLAN

MOTION A motion was made by Ms. Alejandro, seconded by Ms. Keith, to approve the 12fps contract.

Ms. Alejandro asked this is two gentleman, Adam and Mark. What exactly precipitated this. Is there that much demand for businesses coming from the bay area to spend time here. Do they need temporary office space here.

Ms. Noble said they are focused on the Santa Fe market and want to focus here. There are solo workers who want a professional meeting space and an office. This would be to design the plan and model that would work in Santa Fe. What would work. Broadband availability is a factor as well.

Ms. Alejandro asked isn't there already a space that does this.

Chair Brackley said there are several.

Ms. Alejandro said how is this different from those.

Ms. Noble said they have been talking to the Mayor about using the space over here to create something in downtown Santa Fe that might be attractive to companies who have workforces in the Bay area, New York and here to create a local office. The difference is the culture. The energy is young entrepreneurs that want to create a space to compliment what already exists.

Ms. Keith asked will it be a for profit or non profit model.

Ms. Noble said that remains to be determined.

Mr. Quintero said the location is a big factor in this. It offers a unique competitive edge.

Ms. Keith asked as they are coming in are they set up as for profit.

Ms. Noble said they will be set up through 12fps who is a for profit.

Ms. Keith asked are we setting ourselves up for criticism.

Ms. Noble said we have contracted many times with for profits.

Ms. Keith asked if there were another for profit space they could have come in and responded to the RFP as well.

Chair Brackley said yes. This is just to do the plan. He anticipates that there will be another RFP for who runs it.

Ms. Noble said neither of these guys was to run this.

Ms. Longserre asked since we are working on the downtown library site, can we talk to them about this.

Ms. Noble said absolutely.

Chair Brackley said we need to encourage them to speak to everyone who is operating this kind of thing here.

Ms. Longserre said our staff had a meeting today about collaborating and working together so the more we know the more we can talk to people about what we have that they can use. That is an important aspect of it.

VOTE The motion passed unanimously by voice vote.

4. MARKET INTELLIGENCE SOLUTIONS - DATA ANALYSIS

Mr. Roybal said are these programs efficient and do they really contribute something. Those questions should be asked of each of these possible agreements Do they understand that public money is being used and needs to be put to good use is something they all need to understand.

MOTION A motion was made by Mr. Roybal, seconded by Ms. Alejandro, to approve the Market Intelligence Solutions agreement.

Ms. Alejandro asked is this basically the City contracting out to this company to do this data collection and development and analysis and then it goes back to the City and belongs to the City.

Mr. Chaney said it will be. It will include programmatic data as well. This is the first year of this contract. It will develop language and categories. The goal is to get a granule view of the entrepreneaul service providers, what kind of services we are seeing, and what their needs are and how we can support them. How we can add to the national conversation and potentially increase our national funding sources is a goal as well.

Mr. Roybal asked how does this go back to the business community as a tool.

Mr. Chaney said hopefully the data will be utilized in future contracts, and RFPs and ultimately in providing better services to the entrepreneurs in our community.

Mr. Roybal said he would be happy just to get building permits in a timely fashion.

Ms. Alejandro asked are you talking about start ups or entrepreneurs in the for profit sector.

Mr. Chaney said primarily entrepreneurs, high tech and low tech. They will work with service providers to add to the data collection as well.

Chair Brackley asked it is also to identify trends isn't it.

Mr. Chaney said yes.

Chair Brackley said as an example, they might identify people who have attended SCORE workshops and what challengers and obstacles there are for them.

Mr. Chaney said absolutely. We are seeing through the surveys we do that over 60% of the businesses say they need social media training.

VOTE The motion passed unanimously by voice vote.

5. BUILDING SOLUTIONS, LLC - LOCAL LENDING SOLUTIONS

Chair Brackley said this is part of the conversation about having a public bank in the community.

Ms. Updike said she is here from Building Solutions. The public bank discussion was about how the City can use their resources to come up with a public bank. Most of the feasibility focused on what the City had to do internally. During the process it was understood that if the City ever made loans to the exterior world they would do so with local banks. We found that the dedication of local banks to the business community is declining. She went to an FDIC listening session. Local community banks said it was hard to share the cost of underwriting a small loan that exceeds what it is worth. How can we improve the ability of an entrepreneur to get to the right place the first time. This is about making our local banks more efficient and more able to address the issues.

Mr. Roybal said community banks can do things, it is the national banks who don't want to invest in the community. Governmental regulations are an issue.

Mr. Brackley said this is about community collaboration.

Mr. Roybal said he doesn't know how this is going to change anything. The problems are with government regulations.

Ms. Updike said in conversations that was not a primary issue. What was mentioned was that when an entrepreneur goes to a bank they have to go through a process then when they go to another entity they have to go through that process again.

Mr. Brackley said we would rather keep those loans local rather than drive them to the on line loan companies.

Mr. Roybal said he understands what you are trying to do. It is very noble but he does not see how they are going to make a difference.

Ms. Updike said this is not intended to be a study but to get the players talking to each other and to have them come up with a mechanism they can get behind.

Mr. Roybal said he is on the board of Century Bank and the biggest problem with

local banks is that credit unions don't have the same regulations they do. Is this going to work with the credit unions also.

Ms. Updike said she hopes so.

Chair Brackley asked the existing micro lenders will be part of this conversation.

Ms. Updike said yes.

Chair Brackley asked what is the time frame on this project.

Ms. Updike said a year and a half. It will take some amount of time for the banks to go through their internal processes.

Mr. Roybal asked what is going to make banks go through their internal processes.

Chair Brackley said there is nothing a bank would like more than to get a business up and running.

Mr. Roybal said Century Bank does very well in giving loans. He is having a hard time with how Building Solutions is going to make everyone work together on this.

Ms. Updike said everyone she has talked to so far has said yes and when can we start. It appears there is a hunger to figure out how to compete with big banks and on line loans.

Mr. Roybal asked are you going to create a group of people to help you with this.

Ms. Updike said absolutely. A group to come up with a model.

Chair Brackley asked is there a conversation similar to this going on in Albuquerque.

Ms. Updike said not that she knows of.

Mr. Roybal asked how are you going to present this.

Ms. Updike said she thought about if it would be useful to just have the Mayor invite people to kick it off. It could be political or totally in the realm of the financial institutions.

Ms. Alejandro asked do you think there are successful models of this in other communities.

Ms. Updike said elements of it.

Mr. Roybal asked how is this funded. With metrics and reports of progress.

Ms. Noble said over two years. There will be a feasibility analysis. If it looks like it is not going to work we will stop. It will be done in four phases. If it looks like it is going to work we will continue. The first phase is \$15,000.

Mr. Roybal said he is reluctant and hopes they can succeed. Good luck.

MOTION A motion was made by Mr. Roybal, seconded by Ms. Keith, to approve the Building Solutions agreement.

Chair Brackley said he encourages Mr. Roybal to continue this conversation off line.

Ms. Keith requested a copy of the contract. .

VOTE The motion passed unanimously by voice vote.

6. SIETE DEL NORTE - INSPIRE SANTA FE MENTORSHIP PROGRAM

Ms. Noble said this program was piloted two years ago.

Mr. Quintero said about seventy mentors have been placed.

Ms. Noble said they found that the engagement of the mentors has been more significant and impactful than they thought it would be. They are connecting businesses to the community in a meaningful way. They are building problem solving skills, skills to work as a team and how to communicate effectively.

Chair Brackley said they must obtain matching funds and in kind matching funds.

Ms. Alejandro asked what is the money spent on.

Ms. Noble said for coordination of the program. A person. The work on matching a young person to an adult in the field.

Mr. Roybal asked how do they get the funding.

Ms. Noble said they have to sign up schools and community partners before they get a dime.

Mr. Roybal asked including the matching funds.

Ms. Noble said the \$40,000 not benchmarked to a time line.

Mr. Roybal said you would think you would want everything in place before funding at all.

Ms. Noble said the funds are mostly in place now. We did not make that a requirement before the initial \$20,000.

Mr. Roybal said it should be.

MOTION A motion was made by Ms. Alejandro, seconded by Ms. Keith to approve the Siete Del Norte agreement.

VOTE The motion passed unanimously by voice vote.

7. MAKE SANTA FE - DIGITAL FABRICATION TRAINING

MOTION A motion was made by Ms. Alejandro, seconded by Ms. Keith, to approve the Make Santa Fe agreement.

Ms. Alejandro asked is that job placement goal of 15% local.

Ms. Noble said yes.

VOTE The motion passed unanimously by voice vote.

8. REGIONAL DEVELOPMENT CORPORATION - VENTURE ACCELERATION FUND

Chair Brackley said this is primarily funded by LANL.

Ms. Keith said since she works for the labs, she will recuse herself.

MOTION A motion was made by Mr. Roybal, seconded by Ms. Alejandro, to approve the Regional Development Corporation agreement.

Mr. Roybal asked this been going on since when.

Ms. Noble said we have impressive metrics on this.

Ms. Longserre said it has been about seven years. The first three years the project funded a lot more volume of companies. 75% went through the Incubator

program. We have seen it blossom. It is one of the best in Northern New Mexico for launching start up companies. The prestige that this has allows the companies to attract more funding.

Chair Brackley said Santa Fe has benefitted substantially.

Ms. Noble said their office is in Espanola. It has become more important that they demonstrate a commitment from the communities near by. There has been disproportionate of funding to Santa Fe because we are the metro area.

Mr. Roybal asked how much money comes from Los Alamos

Ms. Keith said it is \$250,000 this year.

MOTION A motion was made by Mr. Roybal, seconded by Ms. Alejandro, to approve the Regional Development Corporation agreement.

VOTE The motion passed unanimously by voice vote.

9. SFID - HIGH GROWTH BUSINESS ACCELERATOR

This item is on hold.

B. REQUEST FOR APPROVAL OF AMENDMENTS TO OTHER PROFESSIONAL SERVICES AGREEMENTS IN THE ECONOMIC DEVELOPMENT PORTFOLIO

1. SCORE - BUSINESS EDUCATION PROGRAM

Mr. Trujillo introduced Mr. Ray Berger, Chair of SCORE. Mr. Trujillo said we have had a very successful series with SCORE this year. He is very pleased. They met the metrics and the education series marketing campaign resulted in younger and more diverse demographics. SCORE added some feature seminars held at the Art Institute. They had sixty seven participants for the first one and seventy four for the second one. The educational events have been more relevant and getting better every year. We are asking for an Amendment for \$25,000 for this next year. They took the feedback from the surveys we did and used it to design the seminars. They will also do another two to three hands on workshops. We are asking for a bit of flexibility as we design those.

Mr. Berger said our budget is the same as last year. It is part of four year City contract. We have converted some workshops to seminars because the demand is so great. 71% of our attendees were women. We dropped the age of the participants by fifteen years. Four hundred and fifty people attended our workshops and seminars

which is up from three hundred the past year. The content was more relevant and we did more marketing. The feedback we got shows there is a great need for training on how to do a business plan, how to market the business and how to initially get capital. Social media is critical in today's economy to compete against national and web based companies. Assistance with that is requested as well. Everyone now fills out a questionnaire and they tell us what they liked and what they need. Our partners at the Santa Fe Community Foundation also helped us get attendees. We assist non profits as well. He thanked the Economic Development staff for their support and the Incubator where his offices are housed.

Chair Brackley said thank you for what you do as a volunteer. Congratulations on your success.

Mr. Roybal said he liked the idea of seminars. He is concerned about how SCORE is marketing their seminars to small businesses.

Mr. Berger said in terms of partners we give all the information to the Chamber.

Chair Brackley said we do direct mail, social media and email blasts.

Mr. Berger said we also give the information to the Hispanic chamber, the, Santa Fe Community Foundation, the Incubator newsletter and we have a SCORE list of over three thousand that we e blast. We also do a print ads

Mr. Roybal said partners are wonderful. His concern is people not engaged with the Chamber.

Mr. Berger said we put it on FaceBook.

Mr. Roybal said he is talking about those who are not connected.

Mr. Berger said we also send information to people who have business licenses.

Mr. Trujillo said everyone who has an email with their business license received information. Last year we had one hundred and fifty emails, this year we have seven hundred.

Mr. Noble said they do radio as well.

Mr. Roybal asked regarding the customer service seminar is there a way to make that a bigger event.

Chair Brackley said the Chamber is going to roll out a customer service program that speaks to staff. SCORE is speaking to management and owners.

Mr. Roybal said he would like to see that be a good size event.

Mr. Berger said each year 20% of our new mentor clients come from those attending seminars and workshops. We mentor eight hundred people a year.

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

VOTE The motion passed unanimously by voice vote.

Chair Brackley said again, thank you for your belief and passion around this program.

2. ANDREA ROMERO CONSULTING - MIX SANTA FE

Ms. Noble said this is another of the projects that relies heavily on City staff involvement. We are adding what will be left on her contract from the previous fiscal year and from the event coordinator contractor. \$40,000 and that includes the \$28,000 for this years contract. This Amendment increases her compensation.. She has been hugely successful. Espanola has asked for assistance to bring the program there.

Mr. Roybal asked is the money she gets all salary.

Ms. Noble said yes, billed on an hourly basis and reimbursements. Less than 10% is in reimbursements.

Chair Brackley said the Chamber is the fiscal agent for MIX. Our books are open to look at.

Mr. Roybal said she cannot go over the funding.

Ms. Noble said no.

Ms. Keith asked are we upping the hours for her or just the compensation.

Mr. Noble said just the compensation.

Mr. Roybal asked what happens if she goes over the hours estimated.

Ms. Noble said we have worked very hard on that. In the event that she does run out we would address that at the time. There is some earned income in the account. We would look at that. She is a very busy person. We would like more hours from her but she is unable to give us more. She has several ventures of her own.

MOTION A motion was made by Ms. Keith, seconded by Ms. Alejandro, to approve the MIX Santa Fe agreement Amendment.

VOTE The motion passed unanimously by voice vote.

V. INFORMATIONAL ITEMS

None

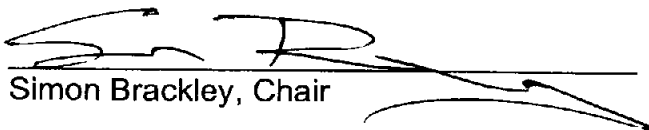
VI. ITEMS FROM STAFF

None

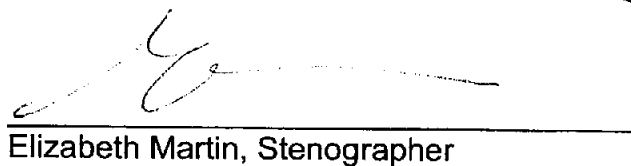
VII. NEXT MEETING DATE - MEET AS NEEDED

IX. ADJOURN

The meeting was adjourned at 5:00 pm.



Simon Brackley, Chair



Elizabeth Martin, Stenographer