



Agenda

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Economic Development Advisory Committee

**Market Station at the Railyard
500 Market Station, Suite 200**

**Wednesday, February 14, 2018
11:00 AM – 1:00 PM**

- I. PROCEDURES
 - A. Roll Call
 - B. Approval of Minutes
 - 1. December 13, 2017
 - C. Approval of Agenda
 - D. Approval of Consent Agenda

- III. CONSENT AGENDA (None)

- IV. ACTION ITEMS (None)

- V. INFORMATIONAL ITEMS
 - A. Wildflower LEDA Update – Brian Shelton
 - B. Midtown Campus Project Update – Matt Brown

- VI. ITEMS FROM THE COMMITTEE

- VII. ITEMS FROM STAFF

- VIII. ITEMS FROM THE CHAIR

- IX. ITEMS FROM THE PUBLIC

- X. NEXT MEETING DATE – **March 14, 2018**

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**SUMMARY OF ACTION
 ECONOMIC DEVELOPMENT ADVISORY COMMITTEE
 MARKET STATION AT THE RAILYARD
 500 MARKET STATION, SUITE 200
 WEDNESDAY, FEBRUARY 14, 2018, 11:00 AM**

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ROLL CALL	QUORUM	1
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APPROVAL OF AGENDA	APPROVED	2
APPROVAL OF CONSENT AGENDA	NONE	2
CONSENT AGENDA	NONE	2
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<u>INFORMATIONAL ITEMS</u>		
WILDFLOWER LEDA UPDATE	INFORMATION/DISCUSSION	3-6
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**ECONOMIC DEVELOPMENT ADVISORY COMMITTEE
MARKET STATION AT THE RAILYARD
500 MARKET STATION, SUITE 200
WEDNESDAY, FEBRUARY 14, 2018, 11:00 AM**

1. 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, February 14, 2018, at Market Station at the Railyard, 500 Market Station, Suite 200, Santa Fe, New Mexico.

2. ROLL CALL

MEMBERS PRESENT

Councilor Michael Harris, Chair
Holly Bradshaw-Eakes, Vice Chair
Chuck Higgins
Kate Kennedy
John Feins
Doug Orr
Helen Brooks
Dr. Camilla Bustamante
(Vacancy)

MEMBERS ABSENT

Kim Kelly, Excused

OTHERS PRESENT

Matt Brown, Economic Development Director, City of Santa Fe
Fabian Trujillo, Economic Development, City of Santa Fe
Rich Brown, Economic Development, City of Santa Fe
Liz Camacho, Economic Development, City of Santa Fe
Brian Shelton, Wildflower CFO
Elizabeth Martin, Stenographer

**3. APPROVAL OF MINUTES
DECEMBER 13, 2017**

MOTION A motion was made by Mr. Feins, seconded by Ms. Bradshaw-Eakes, to approve the minutes as presented.

VOTE The motion passed unanimously by voice vote.

4. APPROVAL OF AGENDA

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

VOTE The motion passed unanimously by voice vote.

5. APPROVAL OF CONSENT AGENDA

There were no consent agenda items.

6. CONSENT AGENDA

None.

7. ACTION ITEMS

Mr. Brown introduced his 2 new employees, Liz Camacho and Rich Brown. He is super excited about having them. The positions were open before he got here and now they are filled with 2 spectacular people. We are in the process of figuring out responsibilities. Liz is taking on a leadership role for communications and marketing. As a group will be splitting up difference industries so we become domain experts. We are wrapped up in a lot of planning right now. Our budget draft is due on March 2nd as well. We are also working on a transition plan for the new Mayor.

Ms. Camacho said she is thrilled to be here. She learned how much community involvement we want and she was very pleased with that. She can bring experience with that to the table. She has done that kind of thing in the private world. She wants to do this with collaboration. Her Grandfather immigrated from Mexico. He was not happy when she moved back to Mexico and lived in the Capital for 6 years then moved to Paris where she did global work with the automotive industry. She moved back to the United States and has worked the last few years on health care brands in Manhattan. Her family lives in Santa Rosa. When she saw the opportunity to move back here she and her Grandparents were very happy. She is excited to be here.

Mr. Rich Brown said he is also excited to be here. He moved here 6 months ago. His partner is from here. When their son was to enter middle school we wanted to move here from San Francisco. He has decades of experience in sales and marketing. He did business to business incentives and traveled the world. He worked for the Business Trade Industry as well.

Chair Harris said he knows Matt is very pleased to have you both join the

Division.

8. INFORMATIONAL ITEMS

A. WILDFLOWER LEDA UPDATE

Mr. Trujillo introduced Brian Shelton, CFO of Wildflower. They received \$75,000 of LEDA funds from the State.

Mr. Shelton said he has been in Santa Fe since 2004. He is married and has 2 children. He wants to convey to you our gratitude for the financial support. His overview of the business and contact information is in the packet. If you have any questions feel free to contact him. If there is anything we can do to keep you better informed outside of our regular reporting please let us know.

Mr. Shelton reviewed his information in the packet.

Mr. Shelton said we have a company with 80 employees, most of whom are in New Mexico. Our President and CEO is Kimberly De Castro. She has been the driving force since the company was founded. Our company is over 21 years old. We are highly focused on customers and employees. We are growing so culture is very important. We talk about our value system and what we are growing into. We also think about giving back to the community and we focus on a diverse workforce. When you walk into the front door you feel you are working with a small company. It is actually a mid market company. We are a significant federal contractor in New Mexico and nationwide. We are a C Corporation. We offer full service, value added enterprise solutions to the Federal government.

Mr. Orr asked what kind of IT is it.

Mr. Shelton said we sell anything from desk top computing to voice and data integration and managed services as well. We sell data control systems. We have significant government wide Federal contracts. We are in support of DOE contractors in New Mexico, Homeland Security and have a growing business with the Department of Defense.

Mr. Shelton said we are the largest woman owned business in New Mexico. We have 2 office locations. We are on Pacheco Street and in the St. Frances Plaza.

Mr. Shelton said regarding growth, the money we received from LEDA was \$75,000. That reimbursed us for costs to refurbish what is called the pink church building on Pacheco and the land behind it. We now have 30 employees working there. To the rear of the property we have additional staff. We increased our bandwidth and connectivity. We rewired the whole building. Now we have a super fast connection.

Mr. Higgins said your report says you have 3 full time construction people. Were they hired as contract workers.

Mr. Shelton said they were hired for the 4 months to do the construction. They are contractors, not employees.

Mr. Trujillo said this is giving us an overview of the costs. Labor is part construction and is allowable under the LEDA funds.

Chair Harris said under your contract for LEDA he understood that it really had to do with direct employees as deliverables.

Mr. Trujillo said that is correct. This is just a bonus.

Mr. Shelton said we created 6 jobs at a salary of \$24 an hour plus benefits.

Mr. Higgins said \$15.00 an hour is a low wage for construction workers. He is disappointed that they did not get paid more. \$15.00 an hour is not a liveable wage in Santa Fe.

Chair Harris said these folks were the construction contractor's employees.

Mr. Fiens said our construction activity cratered. The market dictates what the salaries are.

Mr. Brown asked does that meet the requirements.

Mr. Shelton said no, we were supposed to have 10 new jobs. We hired 20 people in mostly Northern New Mexico, but since the PPA we have hired 6.

Chair Harris asked can you explain a bit about the boundaries for your Hub Zone.

Mr. Shelton said you can look at a map online to see the boundaries. Most of New Mexico is a Hub Zone. Those maps and lists are maintained by the Small Business Administration.

Chair Harris asked are we talking about Santa Fe and Rio Arriba County.

Mr. Shelton said much further. Much of Bernalillo County and others.

Chair Harris said so employees can come from any Hub Zone.

Mr. Shelton said yes.

Ms. Bradshaw-Eakes asked the people hired, did they come from New Mexico or from outside the area.

Mr. Shelton said from here. We don't relocate very many people.

Mr. Orr asked how do you account for 97% of business properties.

Mr. Shelton said it is the percentage located in New Mexico.

Ms. Kennedy said you managed to choose 2 of the most funky buildings in Santa Fe. Why.

Mr. Shelton said we needed space. Kim did not want to pay a lot of lease. She had a personal attachment to this building on Pacheco.

Ms. Kennedy said it is an interesting choice. The property looks great.

Ms. Brooks said you said 6 jobs have been created and it needs to be 10.

Mr. Shelton said we can only hire what we can afford. That dictates we can only hire 6.

Ms. Brooks asked is there a time frame for you to meet the requirements.

Mr. Trujillo said there is leeway in how we administer the contract. We have to talk about this to see if we can give them time to cure that. We are not going to reach in and claw back the property. It is secured with a letter of credit. We do a cure period and are in the process of working on that.

Mr. Shelton said in terms of hiring we hired a whole bunch of people, 20 which was significant for us. We also have turn over. Depending on turn over rates that is the net new jobs created.

Chair Harris said it would be nice to follow through and see the State's point of view. We have not heard as much info after hearing the front side. He would like to hear what you have to say and the State as well on Wildflower.

Mr. Trujillo said he will get that done.

Mr. Brown asked was the \$75,000 all from the State.

Chair Harris said yes.

Mr. Orr said he heard this was an unusual application with LEDA because of doing the last mile of broadband. He would be interested in more detail on that.

Mr. Shelton said he will get that detail for him.

Mr. Trujillo said to clarify, LEDA is allowable for any type of infrastructure including bandwidth inside and outside the building. A company can use the money for any type of infrastructure inside or outside the building. There are 3 to 4 Hub Zones that qualify in Santa Fe. They are in different parts of the City and are done when we do our census tracts. Some is where Meow Wolf is, some where Wildflower is and along Airport Road.

Chair Harris said thank you.

B. MIDTOWN CAMPUS PROJECT UPDATE

Mr. Brown said he wanted to give an update on the process around the future of the property. The research phase went live a couple of weeks ago. Sign ups were great. We had slots for 180 and had 440 people sign up for facilitated online sessions. There are also non-facilitated opportunities and solo opportunities as well. All will have the opportunity to participate in the process. He gives the Department a B+ so far. The facilitated and solo sessions have been good. There were several who did not like it and those who said they liked it. Ideas are flowing and that is the goal. We are teed up now for the second part of the research. A survey has been build out of the information we gathered in the activities and other research that has been done. We will have the survey going live on Saturday morning in English and Spanish. Anyone can go onto our site and click on a link. We are also printing it out and have volunteers going out into the community to places like Walmart, Smiths, the Southside Library, the Farmers Market and other places this weekend. We are also going to high school basketball games. The information is also up at all the libraries about the link. He thinks we will get an A on that. In parallel to this the RFQ process went live. He and Councilor Harris were at the kick off meeting where we have 20 to 25 interested parties and shared with them the opportunity. The light bulbs went off that this is a truly collaborative effort among them as well. They are working together to get 5 different visions that collaboratively can give us and the community the widest canvas of designing the future of that property. We close that tomorrow. We anticipate numerous parties will do submittals. We know UNM will have a team that will submit. Descartes Labs has teamed up with a design firm in town. He heard Meow Wolfe is teaming up with someone to submit on the RFQ. Those we know already. We will kick that off next week,

Councilor Harris said SFAI is the Santa Fe Art Institute which has been on the campus for awhile. They are a good partner for a lot of reasons. We have a selection committee of 7 individuals. Qualification statements are due tomorrow. He and Matt are not on it. We have a broad group. They will go through and recommend 5 firms to engage in this idea exercise. They will then be given a lot of information and will start to

craft their response. They will be given 6 weeks to work through that. There will be a mid point where they can come and ask questions to be sure they are headed in the right direction. We are not going to have the same voices over and over again. It is a very visible process. This is entirely different from anything the City of Santa Fe has done in the past. It is different from the Railyard property which is still not built out. It is faster, different and creates some anxiety, but that is ok. We are going to end up with new Governing Body members and a new Mayor. We have to do this in such a way that is defensible so we can say why we did it and that we think the results meet our City's needs right now. When he was interviewed by the press he asked if they were basketball fans and told them this is run and gun basketball. May 1st is the end of the day where we will have a strategic vision.

Mr. Brown said the third phase sign up will go live this weekend as well. We will have 3 half day events. They will be held at SFAI, Meow Wolfe and the Southside Library. They will be on Thursday, Friday and Sunday afternoon. We have facilitators for that. We have 100 slots per event. If we have overflow we will replicate that experience online. We will be taking comments on the 5 visions. Citizens will be able to go online for this and the survey.

Chair Harris said we get plugged into this thing and lose site of how much of this is visible to others.

Ms. Kennedy said she heard about the first round but nothing after that. Can you put an event on the City site.

Mr. Brown said it was on Facebook and Twitter and we used all the emails and email lists available.

Chair Harris said he attended the event on Sunday and it was reported on. In the last paragraph of the article is said how to follow this process. It is always surprising to us when you get so close to something and then hear that everyone does not know what is happening.

Ms. Bradshaw-Eakes said what seems to be missing is the information about the multi-facitated approach.

Chair Harris said when you click on Midtown Campus there is a brief summary of the 3 phases and a list of links. The \$36 million appraisal of the property is one of the links. The discussion of the visioning phase is there as well. It is all right there and clearly stated in English and Spanish.

Dr. Bustamante said even calling it Midtown Campus is an issue. To the average Santa Fean that means nothing. They will be the first to stand up and say they never knew anything that was going on. Midtown Campus does not say anything to folks traditionally in the community. How do we get the word out that this is what it is called

now. She loves that you are going to basketball games and libraries. How do we get the word out otherwise.

Chair Harris said that is a valid point. At the journey event he asked who had been on the campus. Most everyone raised their hand. When he asked about how many knew about the work being done now 5 people raised their hands and this is an informed group. They were mostly retired and engaged, but even they did not know about it.

Mr. Brown said he loved the comment. What he wants to do is do a full post mortem of this process. What works and what failed. Of the people who signed up 44 people self identified as Hispanic. 10% . He feels terrible about that because it is not representative. There has to be a better way. On the survey side we will be able to compensate for that. If anyone wants to participate in that analysis he is happy to have them.

Chair Harris said at the end of the day he believes we will see with a better understanding throughout our town of what we are trying to do.

Ms. Kennedy said the impression people have of the City website works against you. Everyone is so used to going into a black hole on City of Santa Fe site. On the mobile version on phones you are at the bottom. She doesn't know if people will scroll down.

Mr. Brown said it works this time. We wanted to build our own site for this, but were unable to do so.

9. ITEMS FROM THE COMMITTEE

Ms. Bradshaw-Eakes said we run a project called Finance New Mexico and release an article once a week to the media. A LEDA article went out last Sunday. It was picked up by 2 outlets. It does show that the original investments in capital building and now Meow Wolfe is an investment in the community. She will share one of the articles on Linked In.

Chair Harris said he walked through the Meow Wolfe building yesterday. They are moving fast over there in terms of the fabrication they will be doing there. By the end of April they will have it pretty well built out.

Mr. Higgins said regarding his toilet project he is very pleased with the media coverage of it. The word it out and people are thinking about it.

Ms. Bradshaw-Eakes said Bruce Krasnov has left the paper. Howard Hutton is now doing the business section. It would be great for him to come hear one of these reports on LEDA.

Mr. Brown asked Mr. Trujillo to reach out to Howard. That is a great idea.

Mr. Brown said we are committed to delivering every month the budget actual numbers. He spent hours trying to get the numbers he wanted. He is still working on it. We will email it out. Hopefully the new budgeting system will make this much easier.

Chair Harris said he saw in the minutes that he said he would follow up on where the Economic Development Fund is invested. Mr. Fluetsch has been out sick so he has not been able to report back. He will do so at the next meeting.

Ms. Kennedy said she is on the Board for the Santa Fe Prom Closet. We are having a fundraiser this Saturday at Rio Chama. There will be snacks and a fashion show with the kids. If you would be willing to support this effort that would be awesome. We help 200 kids in New Mexico and we serve the LGBT community as well.

Dr. Bustamante said that program is awesome.

10. ITEMS FROM STAFF

Mr. Trujillo said the JTIP has awarded 7 companies \$1.6 million for for the creation of 134 jobs in Santa Fe the bulk of which is Meow Wolf.

11. ITEMS FROM THE CHAIR

Chair Harris said Happy Valentines Day.

Welcome Liz and Rich

12. ITEMS FROM THE PUBLIC


**13. NEXT MEETING
MARCH 14, 2018**

14. ADJOURN

There being no further business before the Committee the meeting adjourned at 12:07 pm.



Councilor Michael Harris, Chair



Elizabeth Martin, Stenographer