



Agenda

Economic Development Advisory Committee

Market Station at the Railyard
500 Market Station, Suite 200

Wednesday, October 10, 2018
11:00 AM – 1:00 PM

- I. PROCEDURES
 - A. Roll Call
 - B. Approval of Minutes
 - 1. August 8, 2018
 - C. Approval of Agenda
 - D. Approval of Consent Agenda

- II. CONSENT AGENDA
 - A. 2019 EDAC Meeting Calendar – Fabian Trujillo, Office for Business Growth Manager, ftujillo@santafenm.gov, 955-6912.

- III. ACTION ITEMS

- IV. INFORMATIONAL ITEMS
 - A. Federal Opportunity Zones Development Overview – Rich Brown, Economic Development Associate, rdbrown@santafenm.gov, 955-6625.

 - B. Review draft of purpose statement, guiding principles, strategies and focus areas for new economic development plan work-in-progress – Matt Brown, Director of Economic Development, mpbrown@santafenm.gov, 955-6915.

- V. ITEMS FROM THE COMMITTEE

- VI. ITEMS FROM STAFF

- VII. ITEMS FROM THE CHAIR

RECEIVED AT THE CITY CLERK'S OFFICE

DATE: 10/03/2018

TIME: 11:58 PM

VIII. ITEMS FROM THE PUBLIC

IX. NEXT MEETING DATE – **November 14, 2018**

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

**SUMMARY OF ACTION
 ECONOMIC DEVELOPMENT ADVISORY COMMITTEE
 MARKET STREET AT THE RAILYARD
 500 MARKET STATION, SUITE 200
 WEDNESDAY, OCTOBER 10, 2018, 11:00 AM**

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**ECONOMIC DEVELOPMENT ADVISORY COMMITTEE
MARKET STREET AT THE RAILYARD
500 MARKET STATION, SUITE 200
WEDNESDAY, OCTOBER 10, 2018, 11:00 AM**

I. PROCEDURES

A. CALL TO ORDER

The meeting of the Economic Development Advisory Committee was called to order by Councilor Roman Abeyta, Chair, at 11:00 am on Wednesday, October 10, 2018, at Market Station at the Railyard, 500 Market Station, Suite 200, Santa Fe, New Mexico.

B. ROLL CALL

MEMBERS PRESENT

Councilor Roman Abeyta, Chair
Holly Bradshaw-Eakes, Vice Chair
Dr. Camilla Bustamante
John Fiens
Chuck Higgins
Helen Brooks
Kim Kelly
(Vacancy)
(Vacancy)

MEMBERS ABSENT

Kate Kennedy, 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
Phillip Goodwin
William Paul Wonker, United World College
Kevin McBride
David Oberstein, Oberstein Properties
Bruce Bradford, Bank of Albuquerque
Elizabeth Martin, Stenographer

**C. APPROVAL OF MINUTES
AUGUST 8, 2018**

MOTION A motion was made by Mr. Fiens, seconded by Ms. Bradshaw-Eakes, to approve the August 8, 2018, minutes as presented.

VOTE The motion passed unanimously by voice vote.

D. APPROVAL OF AGENDA

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

VOTE The motion passed unanimously by voice vote.

E. APPROVAL OF CONSENT AGENDA

MOTION A motion was made by Mr. Higgins, seconded by Mr. Fiens, to approve the consent agenda as presented.

VOTE The motion passed unanimously by voice vote.

II. CONSENT AGENDA

A. 2019 EDAC MEETING CALENDAR

Approved on consent.

III. ACTION ITEMS

None.

IV. INFORMATIONAL ITEMS

A. FEDERAL OPPORTUNITY ZONES DEVELOPMENT OVERVIEW

Mr. Rich Brown reviewed the power point presentation included in the meeting packet.

Mr. Matt Brown said the Midtown Link is between Opportunity Zones 1002 and 1103.

Mr. Higgins asked is there a place to go when someone wants a CPA to look at

this.

Mr. Rich Brown said they understand it now and what is happening. We are hoping to convene CPAs and Wealth Managers to talk about it on November 1st. We will have sessions for the Chamber and the public as well. The time line is that the Treasury is supposed to release formal guidelines at the end of October with a January 1st roll out. We will have a website out with prospectus.

Chair Abeyta asked is there a strategy to meet and talk to our Planning and Land Use Departments in case we have to make changes in zoning or get a variance in these areas to enhance development.

Mr. Rich Brown said yes, we have had a preliminary meeting with them and are convening all our internal stakeholders on October 17th to talk about permitting issues, planning issues and other concerns. We will have a GIS map that shows what the City looks at from a zoning, planning and historic perspective.

Ms. Kelly said it looks like there could be a private person who could look at this. So the government is lending them the money.

Mr. Rich Brown said no, it is about private capital gains. You may have an inheritance to invest or maybe someone has started a fund they would like to invest into this.

Ms. Kelly asked so government is a facilitator and the Federal government is doing that by doing the capital gains part.

Mr. Rich Brown said yes. Anyone can build a fund. You just have to fill out an application for the Treasury Department. Every year you send in a report on how you complied.

Ms. Kelly said with bonds there is a rating. What is happening around this.

Mr. Rich Brown said investors just have an annual compliance report and the prospectus. In the 3rd year when the step ups happen there will probably be more due diligence to do

Mr. Matt Brown said we have heard and hypothesized that proportionally the majority of these will be individual land owners. They can build their own fund for their piece of property and invest it. The quality of investment, if you know it is yours, you get the full benefit of it.

Ms. Kelly said so someone could buy the property, invest their money and not have to pay capital gains.

Mr. Matt Brown said yes. Our opportunity zones are competing nationally with all the other opportunity zones. Rich and Liz are working together on building out the communication strategy on our behalf to compete in the market place. If you have ideas on that or networks to reach into let us know.

Ms. Kelly said her concern is we have certain esthetics in our City and you might get someone who wants to do to cookie cutter houses. It would be nice if these areas put some thought into them.

Mr. Rich Brown said we have zoning and permitting. He doesn't think the Land Use folks are going to reshape census tracks where there would be a concern.

Ms. Kelly asked the people setting up these funds, do they have to say they are going to get a certain return.

Mr. Rich Brown said the prospectus may say they are focusing on certain developments or they may say they are looking at affordable housing with a larger return.

Mr. Trujillo asked do these funds work also with current incentives they have like the Midtown Link where we don't have impact fees.

Mr. Rich Brown said yes. We are looking at how we can stack funds from that standpoint like how can you add LEDA to that. We are waiting for the guidelines.

Mr. Oberstein said it seems to him that the City has two roles. Marketing and attracting investment into Santa Fe. The City has certain areas they control. How do you see the City administering their roles and making decisions about the opportunity zone with Midtown.

Mr. Rich Brown said one of the things he has been working on is the website. It shows the tracks and the City assets.

Mr. Oberstein asked so you can go to the Midtown track and see what assets are there.

Mr. Matt Brown said he would like to separate two things. The Midtown Campus and all other. Broadly speaking any City asset inside the opportunity zone is able to be taken advantage of for development relevant to the opportunity zone regulations. Regarding the campus itself, we may find it is not able to take full advantage because we are still in the planning process which is to conclude sometime in the spring. Funds will be up and operational already. We will make this plainly aware to any partners we are working with that the campus sits inside an opportunity zone so they can take advantage of that in their proposal.

Mr. Oberstein asked what if they want to do a master plan.

Mr. Matt Brown said it is a development proposal. We will do RFPs after the planning is done. The RFP will describe all the benefits and incentives so anyone responding to them is aware of those.

Mr. Rich Brown said cities can create funds, but we are not going to create a fund. Also there might be some incentives around some of the least developed land.

Ms. Kelly asked why not do something with the Midtown Campus where you lease land and do RFPs and attract people to renovate or develop there.

Mr. Rich Brown said the current position of the Office of the Treasury and our Finance Director is that there will not be a fund created by the City. We have a new administration coming in and there may be an opportunity for a State opportunity fund. There are a lot of small cities in the State who do not have the ability to do this on their own.

Mr. Oberstein said if a government entity is funding the project in a zone they don't get the capital gains advantage. Public/private partnerships probably present a better opportunity.

Mr. Rich Brown said on the 30th we will have two experts on public/private partnerships to explore that.

Chair Abeyta thanked the presenters for the information.

B. REVIEW DRAFT OF PURPOSE STATEMENT, GUIDING PRINCIPLES, STRATEGIES AND FOCUS AREAS FOR NEW ECONOMIC DEVELOPMENT PLAN WORK-IN-PROGRESS

Mr. Matt Brown reviewed the power point presentation which is included in the meeting packet.

Mr. Matt Brown said this is something he and the Chair have been speaking about. We want to work with this Committee in a collaborative way to help us strengthen our work. In our planning process some of the high order issues have things we have to resolve before the details of the plan are complete. What we are looking for today is your feedback. Are we missing something. Should something be stronger.

Ms. Brooks said the only piece that stops her a bit is where it says "all residents increase wealth" and it does not include "well being."

Mr. Matt Brown said "well being" is a beautiful statement. We wanted to get away from a zero sum game where someone has to rise and someone has to fall. Increasing wealth and making it equitable means people who are disadvantaged rise faster was the meaning.

Dr. Bustamante asked would it be possible it say "quality of life and wealth for everyone."

Mr. Matt Brown said wonderful. Wealth for us was a broader concept. We will get that included. Thank you.

Ms. Brooks said she is thinking that there is nothing there that addresses innovation and entrepreneurship and creativity. Is there a place fo that.

Mr. Matt Brown said yes. We will make that more explicit.

Mr. Matt Brown said we have started an initiative called the Guadalupe Street Initiative. Small business owners came to us and said that their businesses are failing due to fewer and fewer customers. We created an internal team who is working with the business community there to build a work plan. It will take us eight weeks to get it up and running. We are looking at Main Street and the Navigator Program. Once we get that pilot program running we will expand it to other neighborhoods throughout the City.

Ms. Kelly said one of the things a lot of districts have in Albuquerque are banners designating districts. When we interviewed people in the Railyard District they said they could not get any signs set up. There is nothing from the City to take that on. If you guys would help them create districts that would be great. A previous issue before the Committee was special permitting to have events for young people when they are just starting their business and want to have alcohol. A lot of events fizzled out because it was such a headache to do it. They had to jump through lots of hoops.

Mr. Matt Brown said thank you for bringing those issues up. On the banners for the Guadalupe Street Initiative, it was in the top three on their list. So we are taking action on how can we get banners up there. We are working on that. On permitting, he is on a subcommittee with the Chamber who has been working for a while on a policy white paper they are going to give to the City around event permitting. They are going to make recommendations to us. When he gets that we will look at what we can do with the recommendations. Hopefully we will be able to take some action on that.

Mr. Matt Brown said he wants to find out and be able to understand when someone says the economy and the City and region like ours what are the constituent components that are used to define the economy. The reason he wants it is he is working with the County to have an agreement of what those components are and then we will continuously monitor those components. He has researched this and talked to a number of people and still has not found a clear definition. Right now all our focus is on

problem areas. We don't want to lose sight of things that are strong right now. If anyone knows where to find that let him know please.

Ms. Bradshaw-Eakes suggested that he look at the National League of Cities. Look there and call someone there.

Dr. Bustamante said she sees an opportunity for students doing community research based on participatory research that could help you define what you are looking for. They can look at what those components are at a grass roots level. It could be valuable on determining that.

Mr. Matt Brown said he hears her volunteering students.

Dr. Bustamante said she would love to.

Mr. Matt Brown said this answer might be how to define a City or region. 75% of our total GDP here is based on local businesses and 25% on exports.

Mr. Higgins asked would you talk more about the food side.

Mr. Matt Brown said it has to do with a couple of things. The food industry in the United States generates \$5.2 trillion annually. This State consumes \$6 billion in food every year and imports most of it. We have a tradition and history of farming some of which as been lost or put on pause and we have a burgeoning business in consumer packaged goods and service in our City such as breweries, tortillas and chocolate. It is not just here. In the last four years thirty new breweries have popped up in this State. This is happening elsewhere as well. This item could be bigger than any other industry in the State. If someone was manufacturing Snickers bars here it would be the biggest industry in the State. The upside of consumer packaged goods is enormous. The Kauffman Foundation selected us along with several other cities to do a multiple year project they are investing in called Forward Cities. They kicked off Kansas City 3 weeks ago. We are part of a regional project. We are going along with them and will formally launch our project next year. It will be based on traditional farming, Ag tech and consumer packages goods. The intersection of those three. It will be a driver of food and tech.

Ms. Kelly said she would like to return to the idea that we need to export more of our goods from small businesses. A lot of small businesses don't have an online presence. A huge amount of purchasing is done on line. A huge chunk of the market would love to buy something from Santa Fe, but a lot of businesses are not on the web for online purchases.

Mr. Matt Brown said thank you. The most immediate action on that is that there is a survey going out to the Guadalupe Street businesses to see what they are doing for marketing. We will see what that shows us.

Mr. Rich Brown said over the last four months we have been working with New Mexico Tech to host web building service seminars here. We are inviting local businesses to come here and a person helps them figure out how to create a website. We are in the baby steps of that right now, but we hope to grow it.

Ms. Kelly said maybe try to pair younger people who are tech savvy with new businesses.

Mr. Rich Brown said we had five interns this summer who helped us with that.

Mr. Trujillo said with the educational events from SCORE they have added website development and those are always full. They are getting a lot of younger people who are attending. There is a thirst for that.

Mr. Higgins asked is there any update on Bloomberg.

Mr. Matt Brown said we did not get into the final. He spoke with them to find out why. We were a close call they said. The issues they had were issues we considered. Our project is on our evaluation list to do.

Mr. Higgins said it was a good effort.

Mr. Matt Brown said thank you all. Is this type of sharing valuable to you. It is valuable to him to get feedback.

Everyone agreed that it is valuable.

Dr. Bustamante asked are you working with Chris on the La Bajada Mesa work they are doing regarding the wine industry.

Mr. Matt Brown said yes we are. We know one of the projects we have to take on for the Kauffman project is to evaluate the assets we have in the City and State. We have to figure out what we have here and what is booming and what is getting planted. We met with the New Mexico Consortium in Los Alamos. It is amazing. It is a publically available incubator. The tech there now is mostly transferred out of the labs. They have 26,000 square feet including an R and D greenhouse. It is astonishing. As part of our work in planning for Kauffman we met with them. They have Ag tech there. There are a lot of exciting things. It will be part of the asset assessment.

Mr. Matt Brown said thank you for letting him share and get feedback.

V. ITEMS FROM THE COMMITTEE

Mr. Higgins congratulated Helen for the community party. The place is great and

is a great addition to the City.

Ms. Bradshaw-Eakes said the tours of Meow Wolf are on the 22nd and 23rd. At our last meeting we talked about demonstrating the use of LEDA funds. Thank you Meow Wolf for this. These are private tours and the Committee is invited as well as elected officials and others. That was a LEDA project and so was the Rufina Tap Room for Second Street Brewery. They are having a tour on Tuesday as well at 4:15 PM.

Dr. Bustamante thanked the Office of Economic Development for the Community College event to create and develop the eco system. These folks did an amazing job in getting the players in our area there and with the coordination. The comments on the reply sheets were very positive. It was a successful event. People really appreciated it.

Chair Abeyta said thank you staff.

VI. ITEMS FROM STAFF

Mr. Trujillo said we would like to change the date of our next meeting from the 14th to the 9th at 11:00 am.

Everyone was fine with that.

VII. ITEMS FROM THE CHAIR

None.


VIII. ITEMS FROM THE PUBLIC

None.

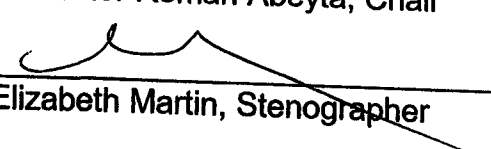
**IX. NEXT MEETING DATE
NOVEMBER 9, 2018**

X. ADJOURN

There being no further business before the Committee the meeting adjourned at 12:30 pm.



Councilor Roman Abeyta, Chair



Elizabeth Martin, Stenographer