



Agenda

DATE 3/5/13 TIME 10:01a

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CITY BUSINESS & QUALITY OF LIFE COMMITTEE

City Council Chambers
City Hall, 200 Lincoln Avenue
Tuesday, March 12, 2013
11:00 am – 1:00 pm

I. PROCEDURES

- A. Roll Call
- B. Approval of Minutes – February 12, 2013
- C. Approval of Agenda
- D. Approval of Consent Agenda

II. INFORMATIONAL ITEMS

- A. Job Training Incentive Program Presentation - (Stephen Slota, NMEDD)
- B. WESST Presentation – (Bettie Bradbury, WESST Regional Manager)

III. CONSENT AGENDA

IV. UNFINISHED BUSINESS

V. ACTION ITEMS

- A. Approval of Professional Services Agreement – Youthworks – from Workforce Development RFP 13/12/P (Kate Noble)

VI. ITEMS FROM THE PUBLIC

VII. ITEMS FROM THE COMMITTEE

- A. Santa Fe Global Trade Initiative Work Group Update – Kathy Keith
- B. Grocery Bag Task Force Report – Frederick Warhanek
- C. Items from Committee Members

VIII. ITEMS FROM THE CHAIR

IX. ITEMS FROM STAFF

X. NEXT MEETING DATE – April 9, 2013

XI. 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.

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CITY OF SANTA FE
BUSINESS & QUALITY OF LIFE COMMITTEE**

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**CITY OF SANTA FE
BUSINESS & QUALITY OF LIFE COMMITTEE
City Council Chambers**

March 12, 2013

I. PROCEDURES

CALL TO ORDER

A regular meeting of the City of Santa Fe Business and Quality of Life Committee was called to order by Councilor Rebecca Wurzbarger, Chair on the above date at approximately 11:05 a.m. in the City Council Chambers, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

A. Roll Call

Roll call indicated a quorum as follows:

Members Present:

Councilor Rebecca Wurzbarger, Chair
Alan Austin
Dena Aquilina
Luca Ceccarelli
Fred Cisneros
Diane Karp
Kathy Keith
Councilor Christopher Rivera
Buddy Roybal
Frederick Warhanek

Members Absent:

Kathy Jahner (excused)

Staff Present

Fabian Trujillo
Nick Schiavo
Kate Noble

Others Present

Stephen Slota, NMEDD
Terese Varela, NMEDD
Bettie Bradbury, WESST Regional Manager
Melynn Schuyler, YouthWorks
Charmaine Clair, Stenographer

Chair Wurzbarger acknowledged Kathy Keith and her new position at the Santa Fe Community College.

B. Approval of Minutes- February, 2013

Ms. Aquilina moved to approve the Minutes of February 12, 2013 as submitted. Mr. Warhanek seconded the motion and it passed by unanimous voice vote.

C. Approval of the Agenda

The Velocity Project was added under Informational Items, 2 C.

Mr. Roybal moved to approve the Agenda as amended. Ms. Keith seconded the motion and it passed by unanimous voice vote.

D. Approval of the Consent Agenda – None

II. INFORMATIONAL ITEMS

A. Job Training Incentive Program Presentation (JTIP) - Stephen Slota, NMEDD

Ms. Terese Varela, the Economic Development Division Director and Mr. Stephen Slota were introduced and welcomed.

Mr. Slota said JTIP had been around over 40 years and has helped more than 1000 companies and 50,000 employees in New Mexico. The program allows reimbursement for training wages for new and growing jobs in New Mexico. He noted that the Committee packets had information on the program.

Mr. Slota said JTIP was enacted by legislation in 1972 for a direct reimbursement for manufacturing jobs in New Mexico. The training time varies on the position level, hours and minimum/medium wage. New Mexico has a large service based employment such as tourism that does not fall under the program. Changes in the program could allow for reimbursement for certain service based companies such as a company who "imports income;" a call center with a customer base outside of New Mexico, but employment base in New Mexico.

Chair Wurzbarger asked if construction fell within the parameters.

Mr. Slota replied construction would not, but parts of the program could qualify under green industry, such as solar, retrofitting for efficiency, etc. He said NMEDD reviews opportunities with employers in JTIP of things that would be an advantage in the reimbursement process.

He explained the reimbursement rate for training wages depends on the company base and could be 50% to 80%; Santa Fe/Albuquerque rate is 50%; rural areas, 65% and economically disadvantaged areas including tribal land, about 75%. An additional 5% reimbursement is given for high wage employment positions.

Mr. Slota cited recent participants listed in the Committee packet, such as the Santa Fe Brewing Company, Jack Rabbit Systems and National Water Services and the companies could participate multiple times.

Mr. Slota said the last five years within the Santa Fe area, 82 jobs and \$668,475 of reimbursements were paid to companies.

Mr. Slota said the funding trends for JTIP has seen an influx of companies and the JTIP Board has seen more employers and more small employers that take advantage of the program. NMEDD budget currently shows \$3 million but a request was made for \$4.7 million in funds for FY 13 with the hope to utilize the full \$4.7 million. He said funds that were provided in the past could still be encumbered by companies in JTIP now and are being utilized quickly.

Mr. Slota said Step Up is a program under JTIP. Step Up is for training reimbursement for incumbent workers in manufacturing based jobs to grow knowledge for currently employed individuals or for a capital expenditure training in new equipment/technology, etc.

Mr. Roybal said he is concerned because Santa Fe is not a manufacturing town. He asked if the living wage in Santa Fe hurt manufacturers coming to the area. He said Bicycle Technologies is a new company in Santa Fe that imports and exports and asked if they would qualify for the program.

Mr. Slota said Bicycle Technologies has taken advantage of JTIP. He said the list of participants is longer than those shown in the packet.

Ms. Varela said what NMEDD considers economic base companies is not only manufacturing, but non-retail, service based businesses that derive 50% of their revenue from outside of New Mexico.

Chair Wurzbarger said a more detailed list that includes examples would be helpful for the Committee.

Ms. Karp asked if incumbent employers eliminated, because of constriction or changes within the business, could apply to JTIP or Step Up to retrain employees being lost.

Mr. Slota said JTIP is not a training program for displaced workers. A JTIP company is expanding its employment base and the Step Up program is for current incumbent workers. He explained if the position is of short term draw down of employment, an individual returning to the employer would be eligible for Step Up.

Ms. Karp asked what was meant when Mr. Slota mentioned under the funding trends that the startups and expansions were improving.

Mr. Slota said that was his personal view that the number of companies participating in presentations to the JTIP Board has been larger. He offered to provide that information along with a list of companies and the type of work the companies do.

Mr. Austin asked if there are success stories about companies JTIP assisted in relocation to New Mexico.

Mr. Slota said JTIP is used by the EDD to draw companies to New Mexico. He said a recent win was a solar airplane manufacturing company that relocated headquarters to Moriarty.

Ms. Varela added the example of Clean Air Systems that JTIP assisted throughout their location in Santa

Fe. Ms. Varela said Clean Air was able to land Caterpillar as part of their expansion and JTIP was a strong component. She said other projects include Hewlett-Packard in Rio Rancho and Lowe's Customer Support Center in Albuquerque and others are throughout the state.

Mr. Ceccarelli said he used the program several times in film production and the program was flawless. He asked if the music industry qualified; more specifically recording in a studio that may or may not be in association with film production.

Ms. Varela said that could be considered but more as a service based business if the customers are from outside New Mexico. She explained that film qualifies because the legislation earmarked an appropriation specifically for the Film Crew Advancement Program (FCAP) for pre-employment classroom training. She said digital media and post production would fall under traditional JTIP and has a 50% out-of-state revenue requirement.

Councilor Rivera acknowledged the work done by Ms. Varela on behalf of Santa Fe and the State of New Mexico. He asked Mr. Slota if he could provide a list of challenges he sees within the City of Santa Fe in regard to attracting new businesses or businesses that decided not to come.

Mr. Slota said he wasn't aware of direct challenges, but continues to hear employers, economic developers and the public say he is late to the table and would have been great to know about JTIP. He said he works harder and gets out of the office more to address that issue. He said he would add to provide the Committee with a list of the challenges to his task list.

Ms. Varela offered examples she had in regard to the high wage ordinance. She said one company she talked with about relocation to Santa Fe several weeks ago was shocked [about the wages] and now is looking on the outskirts of Santa Fe. She said another company she has tried to recruit for over a year is considering Cerrillos, New Mexico.

Chair Wurzbarger said the Committee greatly appreciates the work done. She said there is a great opportunity to capitalize on this and she would commit the resources of the Committee to target companies.

She also tasked staff and members of the Committee to have a follow up meeting with Ms. Varela to discuss issues in more detail. She suggested discussion include the idea of developing five or 10 companies to take advantage of the program that might not have found out in a timely fashion.

Ms. Karp asked what the Committee could do to help NMEDD better connect to potential businesses in Santa Fe or coming to Santa Fe.

Mr. Slota said with an opportunity to speak with the leadership of companies, NMEDD would work diligently to provide the companies opportunity.

Chair Wurzbarger asked for Committee members to work on the problem and two volunteered.

Ms. Aquilina asked if the press release happened that Chair Wurzbarger requested at the last meeting about the JTIP Santa Fe participants.

Mr. Trujillo said there was a press release statewide but not for the City. Chair Wurzbarger asked that a press release be done once the list was received.

B. WESST Presentation – (Bettie Bradbury, WESST Regional Manager)

Ms. Bradbury, the regional manager for WESST Corporation was introduced.

Ms. Bradbury explained that WESST (Women's Economic Self Sufficiency Team) was a 501(c) (3) nonprofit created in 1988 to provide business skills training and financial assistance to low income women and minorities in New Mexico. There are six offices in New Mexico and Santa Fe serves both Santa Fe and northern New Mexico.

She said the Mid Region Council of Governments (MRCOG) analysis of the economic impact of WESST and its activities over 4 years discovered: statewide WESST facilitated the creation of 1159 jobs (118 in Santa Fe); helped to increase \$60 million in wages and salary disbursements in three years (\$21.3 million in Santa Fe County/City.) Had \$87 million in consumer spending (\$22.1 million in Santa Fe), \$93 million in personal income (\$21.3 million in Santa Fe) and \$128 million in gross domestic product (\$22.2 million in Santa Fe.)

Ms. Bradbury said WESST was founded to serve women in low income and minorities but today is about 60% women and 40% men. They work with businesses from start up and work just as hard to talk someone out of an idea that doesn't seem viable, as to growing and re-addressing the development of a multimillion dollar business.

She said WESST has three core programs: 1) One-on-one consultation and 2) workshops for state of the art information such as social media. She said WESST offices in the Santa Fe Business Incubator and takes advantage of meeting space and facilities to hold everything from two hour brownbag lunches to an eight week business development workshop for start ups and growing businesses.

Ms. Bradbury said on March 21 would be the second in a series of stress reduction workshops taught by Dr. Jolie Davies, a Harvard educated woman who came to WESST as a client. On March 22 a workshop would be held on QuickBooks.

Ms. Bradbury said the last core program 3) is a micro loan fund. The loan fund is a service for WESST client's and could provide up to \$10,000 for startup businesses with a portfolio of about one and a half million dollars. She said the default rate is low because those who receive the loans have to continue to work with WESST. The fund does not compete with conventional banks, but WESST often prepares people to be bankable with a conventional bank.

Ms. Bradbury said WESST's history with the arts in Santa Fe began around 2000 when challenged to develop a curriculum for entrepreneurs. The curriculum had to address everything an entrepreneur would get in an MBA program. She said a press release was put out to participate in a 16 week workshop and 16 people out of 223 were selected. The 16 weeks expanded to 32 weeks and from that came successful businesses.

Ms. Bradbury said from that the training program for the fiber arts trail in New Mexico was developed. Recently four of 20 workshops were done for Santa Fe University Art and Design and WESST provided the artists on the panel.

Ms. Bradbury said in northern New Mexico more than 50% of WESST's client base is artists and art organizations. The previous year a grant was received from New Mexico Arts and allowed WESST to go throughout the state and provide a workshop to address topics that artists should be aware of to be viable businesses.

Mr. Austin congratulated Ms. Bradbury on her work. He said WESST does a great job getting people to the point they can borrow from banks.

He asked if the City provided funding for WESST's work.

Ms. Bradbury said the City does not and New Mexico Bank and Trust provided funding that allowed WESST to take New Mexico Arts statewide. She said WESST is half funded through the SBA (Small Business Administration) and the Office of Women's Business Ownership and by many local grants and funders like New Mexico Bank and Trust.

Mr. Austin asked staff if WESST has programs that would be available for funding through the City. He thought that could be worth a discussion with Mr. Schiavo or Ms. Noble.

Mr. Schiavo said the economic development fund amount should be discussed. He said there is currently only about \$400,000 a year in reoccurring funds from previous land sales and GRT realized and he thought to offer funds would be difficult.

Chair Wurzbarger said there might be some collaborative opportunities. She said a merger between tourism, economic development and the Arts Commission and how to build a trajectory forward is being looked at and could have opportunities.

She said she thought that WESST had given programs with respect to the Creative Tourism website. Ms. Bradbury replied she has done workshops at the Santa Fe Community Gallery.

Chair Wurzbarger said she wanted to discuss other opportunities in a context broader than BQL and thought there are contents relative to promoting the creative industries in Santa Fe.

C. Velocity Project – Kate Noble

Ms. Noble said Chair Wurzbarger had requested the Committee see a video of the Accelerator program. The video was done by a student who had documented along the way. She said the second video is about the Velocity Project; a pilot program around a business accelerator. A brown bag lunch would be held on Friday and presentations for March 23 Demo Day are being practiced.

The Committee was shown two videos at this time.

Chair Wurzbarger asked members to invite people to the presentation on March 23 who might be interested; either as a future member of the Velocity team or someone who might participate.

Ms. Karp asked if there was international press. Ms. Noble replied that she would work on that.

Mr. Warhanek moved to revise the agenda to move the discussion of the Grocery Bag Taskforce under Items from the Committee to be heard next. Mr. Cisneros seconded the motion and it passed

by unanimous voice vote.

VII. ITEMS FROM THE COMMITTEE- (Revised Agenda Order)

B. Grocery Bag Task Force Report – Frederick Warhanek

Mr. Warhanek said the Task Force met with Sustainable Santa Fe and a member of the Chamber (of Commerce) and made changes to the resolution and Mr. Trujillo could give the highlights.

Mr. Trujillo provided an overview of the changes to the final draft:

- The opt-out portion of recycling would be removed
- A fee would be added for paper bags
- An educational component would be added
- Plastic bags would be banned

Chair Wurzbarger asked that the resolution return to the Committee and for members to receive the proposed changes in advance of the next meeting. She said they have worked on the resolution for about a year and have gone full circle on a variety of issues. She said Mr. Trujillo was given direction to provide a resolution that the average person was clear on and the Committee would have a chance to review the final and discuss.

Mr. Trujillo added that also discussed was to base the resolution on the Seattle ordinance model rather than the Los Angeles model because the language is not as technical.

Chair Wurzbarger said it has been helpful to have the Sustainable Commission involved.

III. CONSENT AGENDA- None

IV. UNFINISHED BUSINESS- None

V. ACTION ITEMS –

A. Approval of Professional Services Agreement Youthworks- from Workforce Development RFP 13/12/P- Kate Noble

Ms. Noble said the City contracted the Green Collar Jobs Program with Youthworks over the past four years. She said an RFP was done for work force development services and this proposal was selected and the only proposal submitted.

She said the program is being rebranded as the Workforce Innovation Program and takes the best elements of the Green Collar Jobs Program and updates the model in two ways. One is to add an option for basic entrepreneurial training; the core of which is mentor internship (subsidized employment at local businesses.) She said that has been important to engage the local business community to cultivate a skilled workforce of primarily young people left behind by the traditional school system.

Ms. Noble said the other key update is better measurement; Youthworks would assess soft skill at the beginning and end of the program. What completion of the program is has been defined as 380 hours of training, including soft skills as well as mentored internship at businesses.

Ms. Noble said the deliverables have been increased. Youthworks would train 45-50 young people during the contract period and their team approach can help people with issues. Youthworks would also fill the program manager position.

Ms. Keith asked that the transition in management be addressed from the Youthworks perspective.

Ms. Melynn Schuyler, Executive Director of Youthworks said Youthworks is not without a very talented group of people and everyone works closely and the process requires that they work as a family. She confirmed she intends to hire a full-time program manager.

Ms. Keith said she was happy to see the entrepreneurial component in the proposal. She said she has good connections around youth entrepreneurship and could connect Youthworks to people who have been passionately working on that issue in the region. Ms. Schuyler replied that Ms. Keith's advice and input is very welcome.

Chair Wurzburger asked if, on the benchmarks for the contract at \$185,000, conceptually that is about half of the \$400,000 mentioned by Mr. Schiavo.

Ms. Noble said looking at it that way it is half the City revenue, but there is a Professional Services line item of about \$800,000 this would come from.

Chair Wurzburger said she appreciated that the benchmarks were getting clearer but would suggest they move toward *outcome* benchmarks. She doesn't see objectives with respect to where the 50 participants would end up; in college, running their own businesses, etc.

Ms. Noble said tracking the participant achievements post program was added in the contract. She read on page 4, D8 of the contract about the mechanism for that: "tracking shall be conducted for a minimum of six months after program exit, to include documentation of subsequent educational and/or career steps" (which includes number of participants' employed, number enrolled in higher education, notable job and career achievements etc.)

Chair Wurzburger said if Youthworks is moving toward that connection in terms of a goal, could they provide those kinds of goal statements.

Ms. Schuyler said over the last 4 years there is greater community awareness about Youthworks and more input from the community college connections to northern colleges and businesses. She said she would be happy to commit to measurements that provide a set of outcomes.

Chair Wurzburger said they could work together to do that. She said the CWA debate is relevant to the community and part is how to look at apprenticeship for young people in the construction industry.

She asked that there be a condition on the approval that the expectation is clearer and commitment through staff and Committee resources to help Ms. Schuyler define the measures.

Mr. Roybal moved to approve the Professional Services Agreement with Youthworks with the condition that the expectation is made clearer and have more commitment through staff and the use

of resources of the Committee to help define the measures. Mr. Austin seconded the motion.

Chair Wurzburger explained that the contract should be more specific; within the first two months Youthworks staff would work with the Committee and City staff to refine the outcome objectives with respect to the economic development impact. She provided examples of measures such as educational objectives, jobs held, new businesses created, the number of economic development priorities identified through the economic development plan that had been addressed by youth in their own professional development.

Ms. Schuyler asked if she could meet with staff and the Committee sooner. She said Youthworks would need to recruit young people that match the economic development plan and the Committee's objectives.

Chair Wurzburger said there should be some effort and they should keep that in mind when talking with people. She suggested rather than starting with "what do you want to do," to offer a range of opportunities might be a better match.

Mr. Roybal said the program has existed for over four years. He asked why Youthworks couldn't go back to some of those measurements. Ms. Schuyler replied she could pull material from reports and get back to the Committee.

Chair Wurzburger said emphasis should be how collaboratively to be more strategic in matching what Youthworks does with the economic development needs of the community. She said she wants the conceptual framework and that isn't in the proposal.

Ms. Noble said the appendix has targeted areas, like health care, that fulfill needs in the community where employment has been identified. She said they worked to provide outcomes in terms of completion rates and tracking. She said that is the primary work force development in the portfolio of economic development investment because the needs have been looked at; the high dropout rate and the business community that said they can't find good people that show up on time, etc.

She said the program is important to bridge a key gap in the community and could be refined.

The motion to approve the Youthworks Project with conditions/revisions was approved by unanimous voice vote.

VII. ITEMS FROM THE COMMITTEE- (Continued)

A. Santa Fe Global Trade Initiative Work Group Update – Kathy Keith

Chair Wurzburger asked that when the Trade Update minutes are sent to the Global Trade Initiative Work Group they also always be sent to the CBQL members.

Ms. Keith said there will be a trade mission to Mexico on June 2 and businesses on the industry side will be encouraged to attend and meet with other businesses that could be a trade partner. She said in addition on the tourism side, the Convention and Visitors Bureau and City officials would meet to promote tourism in Santa Fe.

Chair Wurzburger said great progress is being made on tourism and they are breaking down silos. She said there are people from the State Economic Development Department and State Commerce Department and the Trade Division and Tourism that would take advantage of Mexico. She said China, possibly Brazil, would also be looked at and a press release would have a piece on the potential impact of international trade and tourism in Santa Fe.

C. Items from Committee Members-None

VI. ITEMS FROM THE PUBLIC- None

VIII. ITEMS FROM THE CHAIR

Chair Wurzburger thanked everyone for their hard work and said she would try to keep meetings to an hour and a half. The April meeting would be rescheduled because the Chair wouldn't be available.

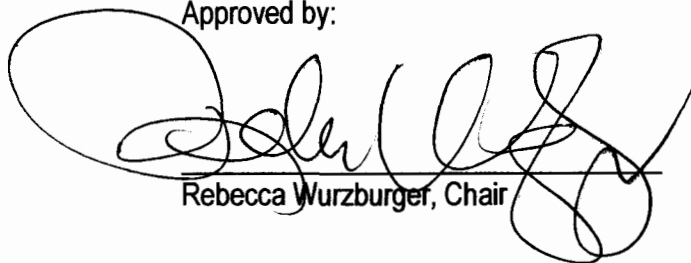
IX. ITEMS FROM THE STAFF -None

X. NEXT MEETING DATE- to be determined.

XI. ADJOURN

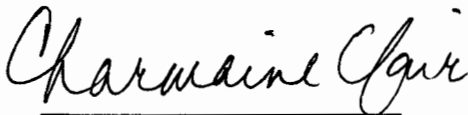
Having no further business to discuss the meeting adjourned at 12:45 p.m.

Approved by:



Rebecca Wurzburger, Chair

Submitted by:



Charmaine Clair, Stenographer