



Agenda

DATE 6/19/13 TIME 2:03pm
SERVED BY Jessica Sandoval
RECEIVED BY [Signature]

ECONOMIC DEVELOPMENT REVIEW SUB-COMMITTEE

Monday June 24, 2013

9:00 am

Federal Building

120 S. Federal Place, Rm 326

- I. PROCEDURES
 - A. Roll Call
 - B. Approval of minutes
 - i. March 7, 2013
 - C. Approval of Agenda
- II. REPORTS
- III. UNFINISHED BUSINESS (none)
- IV. NEW BUSINESS
 - A. Request for Approval of Amendment No. 1 to Professional Services Agreement – Business Development Services on behalf of Economic Development; The MVM Group – The Velocity Project (Kate Noble)
- V. INFORMATIONAL ITEMS
 - A. FY 2013-2014 Economic Development Budget
 - B. Sponsorship of Creative Santa Fe, Arts + Creativity Center project
 - C. Sponsorship of Dreamers in Action project
- 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 INDEX
ECONOMIC DEVELOPMENT REVIEW SUBCOMMITTEE
June 24, 2013

ITEM	ACTION TAKEN	PAGE(S)
I. PROCEDURES	Convened at 9:00	1
A. Roll Call	Quorum Present	1
B. Approval of Agenda	Approved as presented	1
C. Approval of Minutes – March 7, 2013	Approved as presented	2
II. REPORTS	None	2
III. UNFINISHED BUSINESS	None	2
IV. NEW BUSINESS		
A. Velocity Project PSA Amendment	Tabled to special meeting	2-7
V. INFORMATIONAL ITEMS		
A. FY 2013-2014 Economic Dev Budget	Discussion	7-8
B. Arts + Creativity Center Project	Discussion	8
C. Dreamers in Action Project	Discussion	8-9
VI. ITEMS FROM THE COMMITTEE	None	9
VII. ITEMS FROM STAFF	None	9
VIII. NEXT MEETING	Meet as needed	9
IX. ADJOURNMENT	Adjourned at 10:20 a.m.	10

**MINUTES OF THE
ECONOMIC DEVELOPMENT REVIEW SUBCOMMITTEE**

JUNE 24, 2013

I. PROCEDURES

A meeting of the Economic Development Review Subcommittee was called to order at 9:14 a.m. by Chair Simon Brackley in Room 326, Federal building, 120 S. Federal Place, Santa Fé, New Mexico.

A. Roll Call

Roll call determined that a quorum of members was present as follows:

Members Present:

Mr. Simon Brackley, Chair
Ms. Kathi Keith
Mr. Fidel Gutierrez

Members Absent:

Ms. Stephanie Spong

Staff Present:

Ms. Kate Noble
Mr. Fabian Trujillo

Others Present:

Councilor Rebecca Wurzbarger

B. Approval of Minutes – March 7, 2013

Mr. Gutierrez moved to approve the minutes of March 7, 2013 as presented. Ms. Keith seconded the motion and it passed by unanimous voice vote.

C. Approval of Agenda

By consensus, the agenda was accepted as presented.

II. REPORTS

There were no reports.

III. UNFINISHED BUSINESS (None)

There was no unfinished business.

IV. NEW BUSINESS

A. Request for Approval of Amendment No. 1 to Professional Services Agreement – Business Development Services on behalf of Economic Development; The MVM Group – The Velocity Project (Kate Noble)

Ms. Noble hope everyone had a chance to review this amendment. It was the next iteration of the Velocity Project. They worked through the issues in the pilot project with more robust coaching amongst the cohort and follow-up after the 100 day plan. This contract included reporting for the first 2013 class and development of the next class, the running of the next class and reporting of the next class with a more intensive coaching role.

Also in here from the first round but not implemented was an entrepreneurial advisory group to shape the Velocity Project as it goes along. It would require a connection with an existing service provider and reporting on what worked for them among the business development providers.

It would build on communications. They would do an article to present to various groups to create excitement on entrepreneurial activity in Santa Fé with more contact among people in the community.

Mr. Gutierrez said the partnering would duplicate what they did at SFBI with the business advisory committee. He asked how it tied in.

Ms. Noble considered that a good question. She had hoped to move the SFBI contract forward at the same time but things at SFBI moved more slowly.

She suggested they could ask that those two groups get together. She believed they had that as well as their board with the particular companies. This group would be tasked to integrate with other business providers.

Councilor Wurzbarger asked if that was the only other Velocity type program and if that was a problem.

Chair Brackley said it was a better interface with business providers according to what it said. He asked if they had learned about the Velocity project.

Ms. Noble said it was a workshop as the whole piece of that. The awareness of existing business development services was mainly done by presentations. The SBDC was very good. In the class, the SBDC would have a requirement to engage more actively rather than listening passively to a presentation.

Councilor Wurzbarger noted there was a history of inadequate communication or confusion between SFBI and the MVM. She would like to have increased cooperation be explicit in the contract.

Ms. Keith agreed and asked if they didn't have time spent already on that.

Ms. Noble said they had a day but it wasn't when SFBI presented. It took a huge effort to move the location around.

Chair Brackley asked if this was to be approved by Council and when it would start.

Ms. Noble said it would be at Council at the end of July so it would begin at the beginning of August. She was trying to get time before she entered some sort of window. So it was a hurry-up on this one. Then the selection would take place in early 2014 after the report out on 2013.

Chair Brackley was impressed with the whole project.

Ms. Keith asked if they had talked about long-term management. At the end we need some measurement that answered "yes, it produced jobs."

Ms. Noble said she hadn't put in long-term tracking. There was a provision for bringing everyone together but no specific long-term measurements in the contract.

Chair Brackley understood it had tracking but not long-term measurement.

Councilor Wurzbarger pointed out that the interest of the community was in jobs. So the Committee could say we started a business and that was three people. She loved the Velocity Project but emphasized that they did need the measures.

Ms. Noble said the key measure was always the time frame. How long did we go? Usually it was one year. It gets complicated.

Ms. Keith asked if they had started interns at SFBI.

Councilor Wurzbarger asked why we couldn't have the same frame as SFBI.

Ms. Noble said generally they just add up year after year. What Ms. Keith was talking about was a very different research project to go with where those companies

were today.

Councilor Wurzbarger suggested calling them to find out.

Ms. Keith felt the tough part was job creation that took 5 years. It was a pain to track it that long.

Ms. Noble pointed out they were entering year two and could do that over five years.

Ms. Keith agreed. The other question was on cost. She asked if it was the same cost. Last year it was \$90,000 and this year it was \$180,000. She asked why it doubled.

Ms. Noble said basically the cost didn't cover enough coaching. Secondly, in this one she lumped in the follow-up of both the 2013 class and 2014 class. It was more than a cohort in this contract. Thirdly was the direction and integration of providers with the advisory committee to think about how to engage the entire entrepreneurial system and then the communications. So it was all expanded.

Chair Brackley asked if it was not start-up companies but existing companies.

Ms. Noble agreed. It was a continuum. Velocity would be good for some SFBI clients. She would like the Velocity Project to go into the SFBI.

Councilor Wurzbarger asked about the budget breakdown.

Ms. Noble said the budget was done by phases and shown in the contract by phase.

Councilor Wurzbarger asked if there was oversight by this Committee.

Mr. Gutierrez said the contract didn't mention time for coaching or what kind of coaching. He asked if they were going to pay a consultant.

Ms. Noble said the Velocity staff would do the coaching. She related how they coached the teams last year. Three of them were married couples and dealt with how to give ownership to each. The mentors were sort of high-powered entrepreneurs and they would come in to give hard advice and then participants went back to deal with that with the coaches. They dealt with staff, venues, markets, etc.

Ms. Keith thought it would help to have a time line. With this money we could hire two full time staff for a year so we need to show how this would be better than using the staff.

Chair Brackley said this would go from here to CBQL and then to Finance.

Mr. Gutierrez asked if there would be 10 companies instead of 7.

Ms. Noble agreed there would be at least ten.

Mr. Gutierrez said keeping it still at the eight weeks helped. And they were at the next stage and ready with the business plan and ready to expand. The Council would raise questions.

Ms. Noble said they would figure out explicit coordination with SFBI and put that in the contract. And their entrepreneurial advisory committee was another part. She would add long-term tracking, detailed budget and break down of staff time.

Councilor Wurzbarger said she relied on this committee. By the time you bring it to CBQL she really appreciated that the Committee had exchanged ideas on this budget. She asked if there was a way that could happen, noting that there would be questions.

Ms. Noble said she could bring the contract back to this committee. She cannot do email because that would make it a rolling quorum. She suggested she could schedule something before CBQL. They would have to have another meeting.

Chair Brackley asked if they could meet on that day before the CBQL meeting.

Ms. Noble said she could do the paperwork. She explained the requirement to have minutes beforehand. She could deal with the procedural things. She asked if they could meet in one week.

Mr. Gutierrez could do July 2 at 9:00.

Ms. Keith could meet on the first or second.

They agreed on ten o'clock on July 2.

Ms. Keith said it was better to do it the before day of CBQL.

Ms. Noble said they had to publish an agenda by Wednesday.

Ms. Keith moved to table the request. Mr. Gutierrez seconded the motion.

Ms. Noble restated the four changes to the contract.

Mr. Gutierrez said SFBI was a little further along than the boot camp. He didn't know how much time they had in higher level coaching.

Ms. Noble said the committee here looks more at the existing system. SFBI had some explicit goals and she was nervous about tying them in explicitly. The incubator contract wasn't being brought forth right now.

Chair Brackley thought it was important that companies were all ready to go into incubator space and they needed to know about SFBI as a direction to go.

Councilor Wurzbarger asked what the system was that they were creating. She thought they needed to have clarity about what they were doing and to make that direction clearly.

Ms. Noble agreed to look again at the piece around existing business development service providers and add coordination of anything funded by the City to make it a more robust piece.

The motion passed by unanimous voice vote.

V. INFORMATIONAL ITEMS

A. FY 2013-2014 Economic Development Budget

Ms. Noble said the narrative was attached under Update on Economic Development. She reviewed the printed document. Then she went to a legal sized 3-box comparison of budgets by years. In 2012/2013 they intended to do community proposals but didn't. This year they would. She said it was complicated. She was looking at a cash flow sheet. At closeout this year they should have \$2 million in two reserve funds and projected at the end of next year it would be \$1.6 million. They were spending about \$500,000 each year from it. It was replenished by GRT (hasn't come back) and also spending down the fund from land sales. We haven't seen income from that in five years.

Councilor Wurzbarger suggested CBQL and EDRC having a joint meeting.

Councilor Wurzbarger excused herself from the meeting.

Ms. Keith asked for further explanation on the GRT.

Mr. Trujillo explained that the City had chosen to use a portion of the state GRT (1%) that goes into this fund.

Ms. Keith asked if that budget was exclusive of staff.

Ms. Noble said it didn't include Mr. Trujillo or her but we did have one vacant position that was funded.

Mr. Gutierrez asked about broadband allocation.

Ms. Noble said that was a whole other \$1 million allocated out of the CIP bond and not really part of this budget. So this budget didn't include staff or the fund for broadband.

Chair Brackley asked about the \$20,000 for special projects.

Ms. Noble listed several small initiatives that were included.

Chair Brackley asked if community proposals opened up funding for other economic development. Ms. Noble agreed.

Ms. Noble said there was \$100,000 for community projects and the EDRC was the steward over that funding. "We need to let some air out of this balloon. To channel all of that in formal review, we need to structure it pretty soon. We need an outline of how that would work. Maybe \$60,000 for growing businesses and then \$20-30 thousand for worthwhile community projects such as nonprofits and then \$10,000 for this might work."

Chair Brackley understood no action was needed on this item.

Ms. Keith asked what the EDRC role was on the budget and if they had any role in making recommendations.

Mr. Trujillo reminded them they did the recommendations on proposals but the budget process was over.

Chair Brackley recalled they had asked Youthworks to submit quarterly reports to this Committee (from last minutes).

Ms. Noble said they were also going to do two different things - quarterly reports on the newest contract but also an annual report that would pull together all of the outcomes for the year.

Chair Brackley asked then if the budget was just for our comment. Ms. Noble agreed.

B. Sponsorship of Creative Santa Fé, Art + Creativity Center Project

Ms. Noble thought the Committee had been adequately briefed on the project that assesses the need and said they were now on stage 2 of 5 with an extensive market survey at \$5,000 from the City with a report to be made by end of year. Ideally it would include some assessments of the space needs in an affordable Live/Work project.

Chair Brackley asked if it was a scientific survey.

Ms. Noble said it was being done through Art Space and thought it was fairly scientific. She shared some of the questions of the survey. They were aiming for a statistically scientific sample.

Mr. Gutierrez agreed that Art Space knew what they were doing on feasibility. It had to be sustainable on what was produced. But the first question about “could Santa Fé support this,” we need to know what other cities said to this. He felt great about this and expected to hear a detailed report.

C. Sponsorship of Dreamers in Action Project

Mr. Trujillo shared the information. A group in Santa Fé started this called Dreamers in Action to provide workforce development and assistance. They’ve identified 12,000 dreamers in New Mexico with approximately 800 in Santa Fé.

They developed a program to get the work permits. Legal fees were the biggest cost to the participants. About four Santa Fé attorneys were willing to provide legal services at a clinic, using free space at Sweeney Elementary. They asked for \$4,000 for outreach and materials. That would bring about 50 people to put in work permits and education for 200.

Chair Brackley understood this would get them into work and paying taxes. He asked if the 800 were in city or county.

Mr. Trujillo said it was 800 in the county. This was just for one big legal clinic. We think this was a good project for them. A lot of them have associate degrees or even bachelor’s degree. They could get a social security card too.

Chair Brackley added that Dreamers in Action also had a lobbying role and didn’t think we should fund them for advocacy. It should be clear to them that funding from the City must be used only for the clinic.

Mr. Trujillo agreed and it would be put into the contract that way.

Ms. Noble felt that was appropriate and noted it would be illegal to fund their advocacy.

Mr. Gutierrez asked if this was a duplication of Somos Unidos.

Mr. Trujillo said it started at Capital High.

Ms. Noble explained that this was only for the legal clinic and Somos Unidos didn’t

do that.

Chair Brackley said they needed a demographics report from it.

Mr. Gutierrez said at his bank they had some things on citizenship and maybe volunteers to help. He asked Mr. Trujillo to send him some stuff.

VI. ITEMS FROM THE COMMITTEE

There were no items from the Committee.

VII. ITEMS FROM STAFF

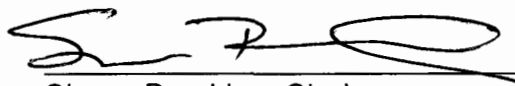
There were no items from Staff.

VIII. NEXT MEETING DATE: Meet as needed

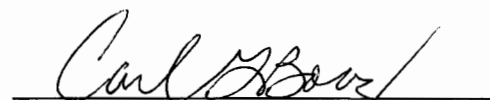
IX. ADJOURN

The meeting was adjourned at 10:20 a.m.

Approved by:


Simon Brackley, Chair

Submitted by:


Carl Boaz, Stenographer