

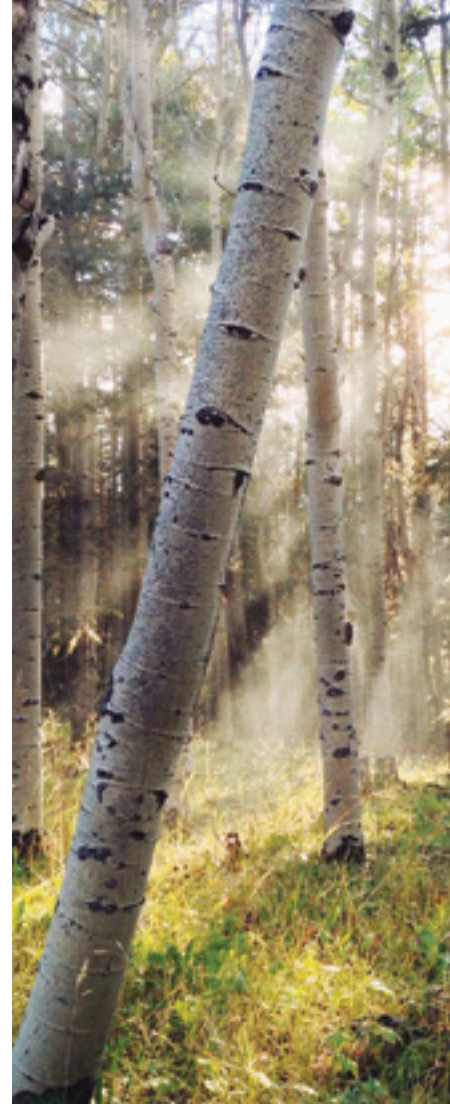


City of Santa Fe **Economic Development**

ANNUAL REPORT FISCAL YEAR 2013-2014

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image:
#howtosantafe by Erin Azouz

Mission

The Economic Development Division (EDD) of the City of Santa Fe works to achieve long term, sustainable economic growth by building a diverse and innovative economy with high-wage jobs that provide opportunity and prosperity for the City's residents, businesses and entrepreneurs.

Governing Body

MAYOR

Javier Gonzales

MAYOR PRO TEM

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Patti Bushee

Signe I. Lindell

DISTRICT 2

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Letter from Mayor Javier Gonzales

Dear Santa Fe:

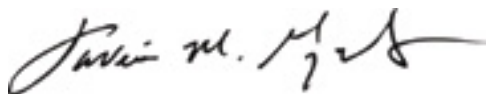
This report lays out the recent work of the City's Economic Development Division. It is designed to help measure and benchmark the progress of our community investments. Not all of the results are easy to measure; things like community support, strong project leadership and the culture of entrepreneurship involve factors that are difficult to quantify. However, I expect the City to track its impacts as best we can for every investment. We need to understand each success and failure and learning the lesson from each return is critical.

We have important work ahead of us in economic development. We must grow the middle class and provide pathways to opportunity for everyone in Santa Fe. We must lay the groundwork for economic growth in a way that leads to greater prosperity in a strong, diverse economy and a vibrant culture of entrepreneurship.

We are going about that work in a lot of different ways. Some are large, some relatively small, but we hope our work is always meaningful. From our Santa Fe Business Incubator to the biz/MIX business plan competition to our workforce development efforts, our work supports key goals in a variety of important ways.

We will be updating the City's Economic Development strategy soon with benchmarks for success on key metrics. I am committed to an action-oriented strategy with a laser focus on the important long-term goals of making this the greatest community it can be.

Sincerely,



Javier M. Gonzales



Growing Entrepreneurship

City of Santa Fe

Investment

TOTAL **\$814,822**

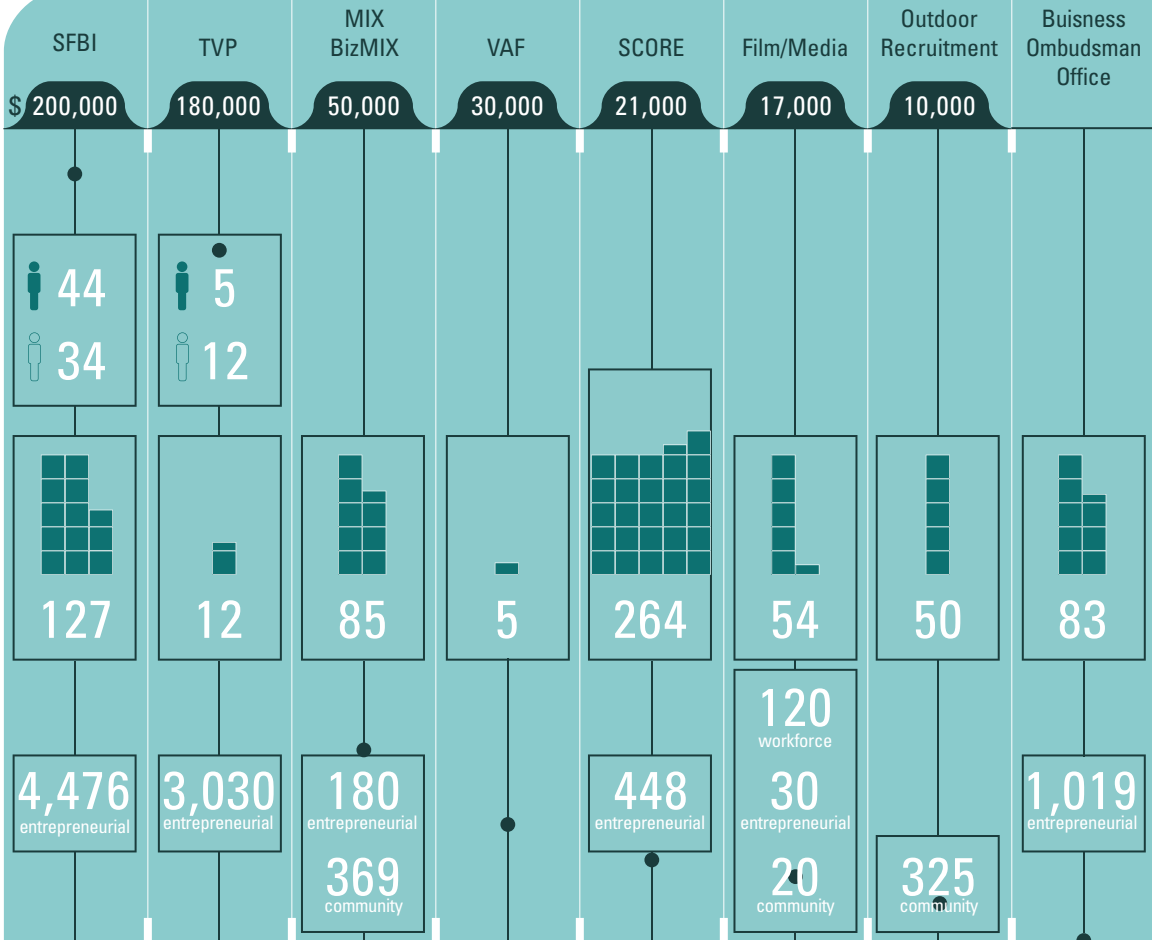
FULL TIME JOBS **76**

PART TIME JOBS **51**

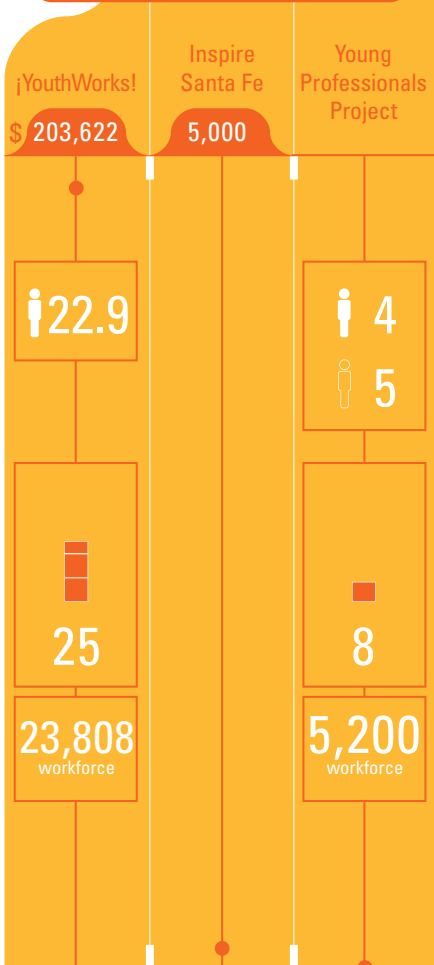
BUSINESSES & ORGANIZATIONS DIRECTLY ASSISTED **767**

HOURS OF TRAINING & COMMUNITY LEVERAGE

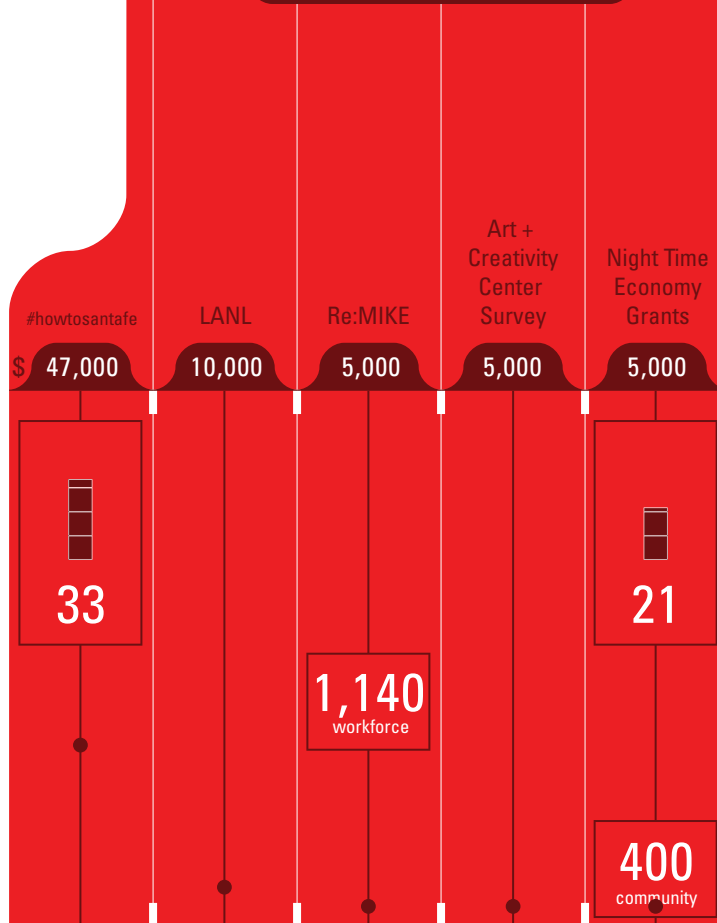
- 30,268** workforce
- 9,183** entrepreneurial
- 1,114** community



Workforce Development



Community & Infrastructure Investments



Fiscal Year 2013-2014 Portfolio

The following charts illustrate the investment portfolio for the Economic Development Fund for the past fiscal year (actual funds spent). This does not include additional funding from other sources, i.e. \$1 million allocated from the 2012 CIP Bond to improve broadband infrastructure.

Growing Entrepreneurship

\$483,000

59.3%

SFBI	\$ 200,000
The Velocity Project	\$ 180,000
VAF	\$ 30,000
MIX / bizMIX (50%)	\$ 25,000
SCORE	\$ 21,000
Outdoor Recruitment	\$ 10,000
Film/Media	\$ 17,000

Developing a Skilled Workforce

\$233,622

28.7%

YouthWorks	\$ 203,622
MIX/bizMIX (50%)	\$ 25,000
Inspire Santa Fe	\$ 5,000

Community and Infrastructure

\$72,000

8.8%

#howtosantafe	\$ 47,000
LANL Coalition of Communities	\$ 10,000
Art + Creativity Center	\$ 5,000
Re: Mike (UNM)	\$ 5,000
Night Time Economy	\$ 5,000

Data and Sponsorship

\$26,200

3.2%

Sponsorships and Marketing	\$ 21,200
Data	\$ 5,000





Growing Entrepreneurship

\$200,00
investment

44^{FT}

34^{PT}



127
assisted

4,476
entrepreneurial

Santa Fe Business Incubator (SFBI)

\$200,000 Investment

For almost two decades, the Santa Fe Business Incubator (SFBI) has been a vital part of economic development in Santa Fe, providing local companies with shared facilities, infrastructure and business development services. In 2014, SFBI completed a \$1,250,000 shared bioscience laboratory. This gives the SFBI facility a total value of \$5,750,000

SFBI companies achieved the following in fiscal year 2013-2014:

- Created 44 full-time and 34 part-time jobs
- Payroll of \$1,478,713
- Revenue of \$2,627,101
- Investment attracted of \$614,500
- Graduation of 5 companies
- Entrance of 18 new companies





The Velocity Project

\$180,000 Investment

The Velocity Project put twelve selected companies through a high-caliber business accelerator. Entrepreneurs participated in an eight week boot camp with a coach plus mentor model. It culminated in Demo Day where more than 150 people heard presentations from graduating businesses. TVP recruited industry specific mentors for each company. The businesses worked on a targeted action plan for the next 100 days with those mentors and through intensive coaching sessions. The program goals are to grow

the individual businesses and to create excitement around Santa Fe's growing entrepreneurial community.

Companies in The Velocity Project achieved the following in fiscal year 2013-2014:

- Created 5 full-time jobs and 12 part-time jobs
- 35% increased their revenue
- 80% filed relevant patents
- Zoetic received a grant valued at \$18,000
- Resonant Body received a grant valued at \$20,000

Samobi Block



Samobi Block makes easy to use interlocking blocks for building strong, cost effective structures that are fireproof and can withstand hurricanes. The company opened a new manufacturing plant in New Mexico in the summer of 2014 and built a factory in the Philippines. The Samobi Blocks produced in the Philippines will initially build 30 homes for victims of recent typhoons. In NM, the plant is producing blocks for a model home in the US market.

\$180,000
investment

5 FT
12 PT

12
assisted

3,030
entrepreneurial

\$30,000
investment

5
assisted

Venture Acceleration fund (VAF)

\$30,000 Investment

Los Alamos National Security, which manages Los Alamos National Laboratory, has invested approximately \$3 million via the Venture Acceleration Fund in 49 companies in New Mexico. For the first time, the City of Santa Fe partnered with this fund in 2014 to support Santa Fe entrepreneurs. The fund, which began in 2006, helps provide seed capital for growing firms.

VAF invested \$180,000 in 5 Santa Fe Businesses

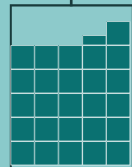
- **Flow Science, Santa Fe:** computational fluid dynamics modeling software packages.
- **Keystone Restoration Ecology, Santa Fe:** remote assessment of watersheds.
- **Milk+Honey, Santa Fe:** handmade goat milk soaps and beeswax lotion bars.
- **Pharma Connect Xpress, Santa Fe:** new tablet based model for service delivery to health-care providers.
- **Heavy Oil Solutions, Santa Fe:** converting low-grade petrochemicals into higher value products.



“ Now it’s a community effort with Los Alamos County, the City of Santa Fe, and the Manufacturing Extension Partnership stepping forward to partner with us.

Dave Pesiri, Director of the Richard P. Feynman Center for Innovation at LANL

\$21,000
investment



264
assisted

448
entrepreneurial

SCORE

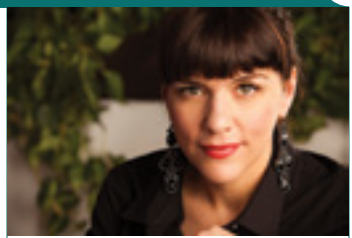
\$21,000 Investment

Santa Fe SCORE Chapter 373 is part of a nationwide volunteer organization that provides professional guidance and information to local small businesses and non-profit organizations. SCORE does individual counseling as well as a series of seminars and workshops. The City Business Ombudsman Office actively partnered with SCORE to present the seminars and workshops for fiscal year 2013-2014. City funding supports marketing and outreach for SCORE activities.

In fiscal year 2013-2014, SCORE achieved the following:

- 5 workshops and 7 seminars
- 264 attendees were trained
- 448 hours of entrepreneurial assistance

Xpress



Xpress founded by Kimberly Corbitt, received \$45,000 from the Venture Acceleration Fund (VAF). Based in Lena Street Lofts, the company has developed a new model for a service which makes it easy and efficient for doctors to request information, samples, or a meeting with a pharmaceutical specialist. The product benefits both medical providers and drug companies.

\$10,000
investment



50
assisted

325
community



Outdoor Industry

\$10,000 Investment

In 2012, EDD began working actively on **business recruitment** in the **outdoor equipment industry**. This was done in partnership with the Regional Development Corporation (RDC), Santa Fe County, and the City of Santa Fe, the New Mexico Partnership (recruiting agency for the State of NM), the New Mexico Brewers' Guild and some individual businesses. As part of this effort, the City, the County and RDC attended the Outdoor Recreation Trade Show in January 2014.

The inaugural **Bike and Brew Festival** energized the outdoor community in Santa Fe. For three days in the late spring in 2014, the community and businesses came together for a variety of biking events that combined tours of local craft breweries with the natural beauty of Santa Fe's outdoors. The Economic Development Department of the City joined forces with other partners to sponsor this event.

Global Trade Initiative

\$1,800 Investment

The Santa Fe Global Trade Initiative (SFGTI) is a working group of the Business and Quality of Life Committee and was formed to enhance and unlock international opportunities for local businesses and to diversify the regional economy. SFGTI hosted a global trade workshop in June for companies interested in exporting. It covered topics such as: building a solid export plan, using government export assistance, and lessons from a successful exporter.

Business Ombudsman Office

The City of Santa Fe Business Ombudsman Office is the hub for business services in City Hall. The Office provides information on tools to start or grow a business, such as: financing, incentives, location assistance, marketing, and more. Additionally, the Business Ombudsman organizes workshops for business owners and entrepreneurs.

In fiscal year 2013-2014, the following was achieved:

- 83 businesses assisted
- 1019 hours of business assistance
- 9 expansion projects assisted
- \$4,953,000 in financing secured by client businesses

Staff



83

assisted

1,019

entrepreneurial

\$50,000
investment



85
assisted

180
entrepreneurial

369
community

MIX / bizMIX

\$50,000 Investment

MIX connects people, businesses, ideas and opportunities in Santa Fe. Monthly events showcase local talent, resources and locations and bring the community together around key ideas and topics. Each Third Thursday MIX event in fiscal year 2013-2014 drew between 200-700 people for a total annual attendance of 3,725 for the total community leverage of almost \$200,000.

bizMIX 2014 was bigger and better than ever. The third annual start-up business plan competition took a class of 11 local start-ups on an adventure including mentorship and pitch contests with the goal of developing each business and creating a community of entrepreneurship.



- \$20,000 was raised in sponsorship funds for cash prizes.
- \$20,000 was donated in resource prizes
- \$10,000 was contributed in Mentor Night and Final Presentation sponsorships

MIX partnered with Coronado Ventures Forum to present the region's first live and in-person crowdfunding event. From Mexican wrestling to specialized tea and beer, entrepreneurial participants had an opportunity to pitch to investors about their business or project.

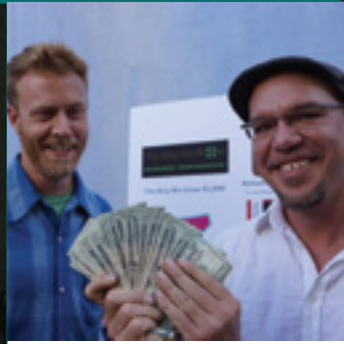
“MIX is a happening that has moved the City of Santa Fe out of the constant discussion of ‘what should be done,’ into the active and energetic moment of what is being done. To everyone taking the time to attend these (events), thank you. Action is truly the only way to remain a positive and vibrant city.

-Trent Edwards, Owner, Duel Brewing

“

”

Awesome Harvest



The 2012 BizMIX winner, **Awesome Harvest**, is a local Santa Fe manufacturing company producing a newly patented container for urban gardening. With growing sales and production of the innovative product, the company is expanding and plans to hire 62 people in the next two years.



\$17,000
investment



54
assisted

120
workforce

30
entrepreneurial

20
community

Film/Digital Media

\$17,000 Investment

The film and media industry remains a key area of focus for economic development. The past two years have been the best on record for the local industry. During the fiscal year, 57 permits were issued for film projects in Santa Fe, including 4 major productions within the county.

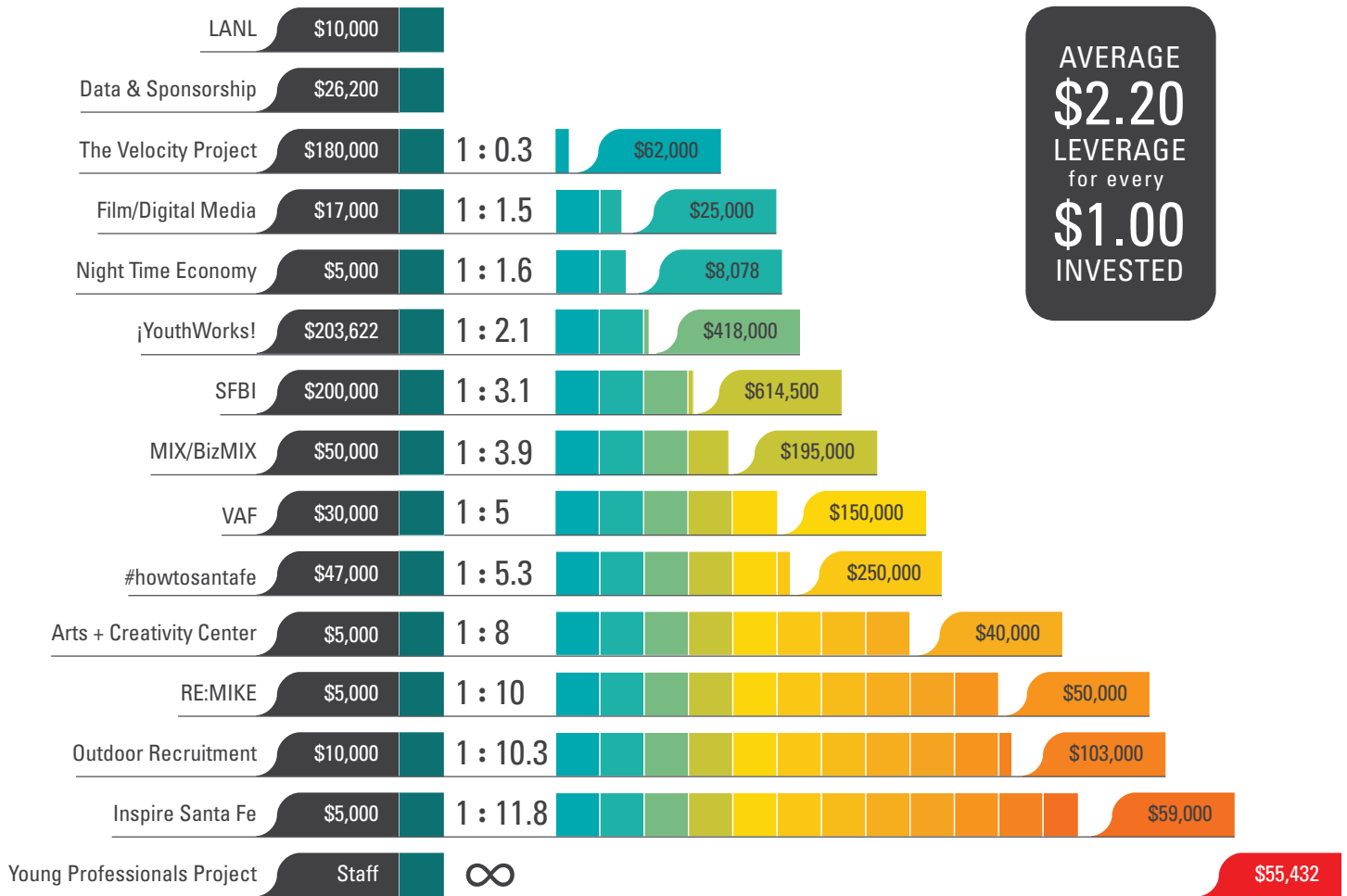
Shoot Santa Fe is a working partnership around the film industry in Northern New Mexico. The group includes local governments in the region, private sector businesses, the local film technicians union, and educational institutions. The partners contributed to the first **“Billion Dollar Location” issue** done by Variety, the leading industry trade publication. Also, EDD sponsored the launch of **“The Pilot Project,”** a filmmaking contest run by the Santa Fe Film Festival. The winning film,



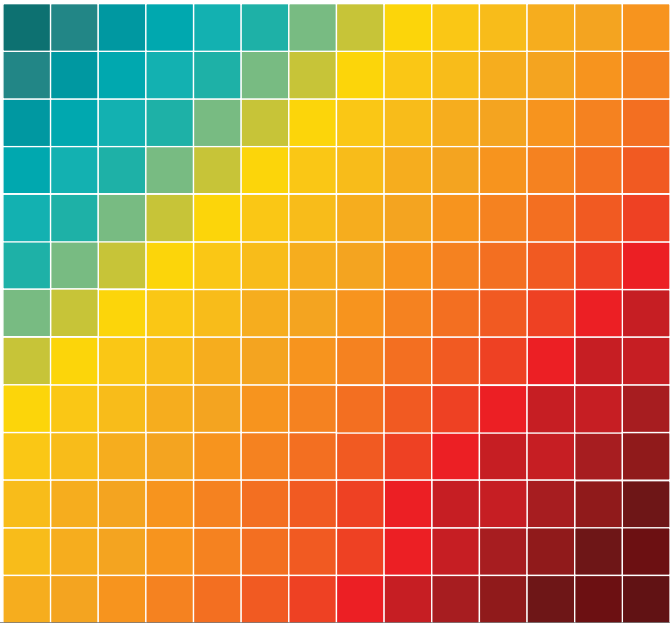
#hashtag, used the prize package to shoot the first scene of a series which is now being seriously considered for purchase by a major entertainment company.

The City’s Video Production Program has provided a hands-on training opportunity for motivated video producers. Through the **Santa Fe Scene**, More than 94 short videos have been produced profiling Santa Fe businesses and economic development efforts. These are shown on the weekly City Hall Live broadcast and on a dedicated YouTube Channel. Participants also work on the broadcast of City Hall Live and learn different roles including directing, producing and floor managing.

AVERAGE
\$2.20
 LEVERAGE
 for every
\$1.00
 INVESTED



AVERAGE
\$12.96
LEVERAGE
for every
\$1.00
INVESTED





Developing a Skilled Workforce

\$203,622
investment

i22.9 FT



25
assisted

23,808
workforce

¡YouthWorks!

\$203,622 INVESTMENT

¡YouthWorks! engages marginalized youth who have not succeeded in traditional education. They provide education, life skills training and leadership development along with work experience through apprenticeships with local businesses. The Workforce Innovation Program (WIP) funded through an EDD contract serves to increase the number of qualified workers in Santa Fe and to improve economic stability for youth in the community.



According to the annual report for fiscal year 2013-2014, the ¡YouthWorks! WIP achieved the following:

- 37 apprentices placed with local businesses/ organizations
- 24 trades/career certifications obtained
- 23,808 hours worked by apprentices
- 13 GEDs earned
- 17 apprentices enrolled in full time college/ educational programs



¡Youthworks!



“The apprenticeship program made me a better person and showed me a better future by finding me a job with a company that was willing to train me and give me a chance. Thanks to the people at YouthWorks, I have a good paying job, responsibilities and an opportunity for a career.”

-Randy Harvey, Chef Link



\$5,000
investment

Inspire Santa Fe

\$5,000 INVESTMENT

Inspire Santa Fe is a unique community mentorship program based on the award-winning learning model from Monte del Sol Charter School. The program helps young people (12-20 years old) identify an area of passion and matches them with a community expert who shares that passion. Sponsorship by the City in the Spring of 2014 enabled the program's founders to raise additional funding, establish local partnerships with four public secondary schools, one independent school, three non-profit organizations, the Transitional Education Program, and two private foundations. The Inspire Santa Fe program will begin its pilot year in 2014-2015 by creating mentorships for no less than fifty (50) youth with diverse socioeconomic backgrounds from six (6) participating schools and/or agencies in Santa Fe.



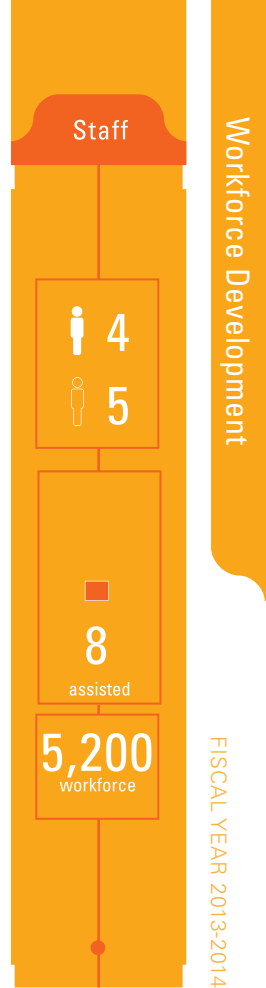


Young Professionals Project

In the Spring of 2014, the Young Professionals Project was a pilot program targeted at students and recent graduates in New Mexico. With the goal of attracting and retaining talent, the program offered interns the opportunity to gain professional experience while living in the community. Young professionals were paid the Living Wage (\$10.66) and given the option of free housing in the dorms of Santa Fe University of Art and Design. Placements lasted approximately 10 weeks and most were full-time (40 hours per week). In total, more than \$50,000 was paid in wages during the pilot.

“ This has proven to me that Santa Fe is not only a city in which I could live, but a city in which I could thrive. I did not know what to expect coming into this internship, but from a professional and personal standpoint it has been one of the most productive things I’ve ever done.

-Phil Davies, Modrall & Sperling







Community & Infrastructure Investments

\$5,000
investment1,140
workforce

RE:MIKE

\$5,000 Investment

UNM Professional Projects

Three graduate students choose the St. Michael's Drive area for the focus of their professional graduate projects for the UNM Advanced Planning Studio (masters degree program). Their final products brought together years of data and many different ideas to deliver real-world solutions for redevelopment and repurposing of the area.

PNM Parklet

PNM Investment \$50,000

The RE:MIKE Parklet project is made possible by a \$50,000 **PNM Power Up** grant to build three mobile mini-parks. Built from recycled materials and featuring PNM-branded solar powered lighting, these urban mini-parks will support the creation of community spaces on St. Michaels Drive.

Traffic Assessment

A traffic assessment is currently underway to determine the effects of St. Michael's Drive being reduced from six lanes to four. Additional traffic analysis will likely be needed before changes can be made to the road. However, this assessment is a first critical step.

Community Surveys

Building on the community input surveys done as part of the RE:MIKE Prototyping Festival in 2012, two additional surveys were done. One gathered bilingual input from more than **600 homes** in the Hopewell Mann neighborhood and the other collected input from more than **300 students** at DeVargas Middle School. The surveys looked at safety issues for pedestrians, available services and amenities, green spaces, crime and more. Some of the popular topics included: better walkability and bike lanes, more affordable housing, better public transportation, a teen center and more services and night time entertainment.





Arts + Creativity Center

\$5,000 Investment

The Arts & Creativity Center will be an affordable live/work/creation space where Santa Fe's creative workforce can develop projects and learn entrepreneurial skills. The primary purpose of the facility is to allow artists and creative workers to stay in Santa Fe, despite the challenges of a high-rent market. There is also the potential to share equipment, software and tools which individuals cannot afford on their own. The program for the facility would provide mentoring and entrepreneurship opportunities to prepare young professionals for economic success. The Economic Development Division contributed to an initial survey and feasibility assessment designed to gauge demand and desired services and spaces. The project is now in pre-development and site selection.

\$5,000
investment

\$47,000
investment**33**

assisted

#howtosantafe

\$47,000 Investment

#howtosantafe is a social media campaign designed to give regular Santa Feans a means for promoting and sharing their Santa Fe experience. This is one component to develop and retain talent and to brand Santa Fe as a destination for young innovators and entrepreneurs. Also, the campaign includes training for local businesses on using social media for marketing and reaching younger audiences.

**image:**

#howtosantafe

Photo by Adam Shaening-Pokrasso

Broadband Project

\$1 MILLION CIP BOND INVESTMENT

The Broadband Project is designed to improve speed, reliability, access and pricing of internet service in Santa Fe. A memorandum of understanding with the State of New Mexico was adopted and a contract for design, construction and operation of the network was finalized in the Spring of 2014.

LANL Coalition of Communities

\$10,000 INVESTMENT

The Regional Coalition of Los Alamos National Lab Communities is a coalition of local Northern New Mexico governments (cities, counties, pueblos) focused on the shared goals of ensuring efficient and compliant environmental cleanup and maintaining long-term, stable funding for LANL that supports jobs and the regional economy.

\$10,000
investment

\$5,000
investment



21
assisted

400
community

Night Time Economy

\$5,000 INVESTMENT

The Night Time Economy Grants were designed to identify issues in and ways to improve the night time economy in Santa Fe. The purpose of the funding is to activate pilot projects and to provide information on some of the systemic issues impacting nightlife.

Night Wave

Night Wave lit up downtown Santa Fe for three nights in the Summer of 2014. It included multiple music venues and a variety of performances, food trucks, late night shuttles, and outdoor multimedia displays.

image:

Projection on the Lensic during
Night Wave by Zane Fischer

Brew and View

Santa Fe Indie Cinema is a bi-weekly screening series of contemporary, independent films held at Duel Brewery in a growing and increasingly vibrant part of Santa Fe. The series includes premieres of exemplary low-budget films, as well as a selection of short films by local filmmakers. The goal of Santa Fe Indie Cinema is to establish a regular space where young New Mexicans can meet, watch, discuss, and grow a community based around independent films and independent filmmaking.





#howtosantafe
by Erin Azouz

Dreamers in Action

\$4,000 INVESTMENT

Dreamers in Action (DIA) is a statewide grassroots organization that tackles issues like immigration reform, equal access to higher education, and a clear path to citizenship for students under President Obama's Deferred Action of Childhood Arrivals Programs (The DREAM Act). The Economic Development Division supported DIA in assisting immigrant students to obtain work permits under the federal program. Private attorneys worked pro bono to assist young people with the paperwork. The results are as follows:

- 150 people attended workshop and were educated on the deferred action program.
- 50 people also received assistance on social security benefits, legal information on obtaining their work permit and legal protection afforded under this program.
- Information on obtaining a GED, access to higher education and tuition assistance was provided to the attendees of this program.

Special Thanks

Economic Development Division gives gigantic thanks to the many community partners and supporters on all its projects and programs.

Photo Credits

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Photo on pages 9 from left
Bike and Brew
futureMIX photo by *Benji Lucas*
Milk and Honey

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Night Wave by *Daniel Werwath*
#howtosantafe
by *Adam Shaening-Pokrasso*

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