



# Agenda

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## CITY BUSINESS & QUALITY OF LIFE COMMITTEE

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

**Round House Conference Room  
Wednesday, August 13, 2014  
11:00 am – 1:00 pm**

- I. PROCEDURES
  - A. Roll Call
  - B. Approval of Minutes – May 21, 2014 & June 11, 2014
  - C. Approval of Agenda
  - D. Approval of Consent Agenda
- II. INFORMATIONAL ITEMS
  - A. Data on Santa Fe Economy Presentation and Discussion
- III. CONSENT AGENDA (None)
- IV. UNFINISHED BUSINESS (None)
- V. ACTION ITEMS (None)
- VI. PUBLIC HEARING (None)
- VII. ITEMS FROM THE PUBLIC
- VIII. ITEMS FROM THE COMMITTEE
  - A. SF Global Trade Initiative Work Group Update (Mayor Pro Tem Ives)
- IX. ITEMS FROM STAFF



# Agenda

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- X. ITEMS FROM THE CHAIR
- XI. NEXT MEETING DATE – **September 10, 2014**
- XII. STUDY SESSION

Persons with disabilities in need of accommodation, 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**

**August 13, 2014**

**I. PROCEDURES**

**CALL TO ORDER**

A meeting of the City of Santa Fe Business and Quality of Life Committee was called to order by Councilor Lindell, Chair on the above date at approximately 11:00 a.m. at the Railyard, 500 Market Station, Suite 200, Round House Conference Room, Santa Fe, New Mexico.

**A. Roll Call**

Roll call indicated a quorum as follows:

**Members Present:**

Councilor Signe Lindell, Chair  
Councilor Peter Ives, Vice Chair (arrived later)  
Buddy Roybal  
Miles Dylan Conway  
Brad Furry  
Piper Kapin  
Kim Kelly  
Bill Sisneros

**Members Absent:**

Dr. Almi Abeyta (excused)  
Tony Ortiz (excused)  
Diane Karp (excused)  
Damian Taggart (excused)

**Staff Present**

Fabian Trujillo, Economic development  
Kate Nobel, Economic Development Department  
Ross Chaney, Economic Development  
Zach Quintero, Economic Development

**Others Present**

Simon Brackley, Chamber of Commerce  
Charmaine Clair, Stenographer

**B. Approval of Minutes of May 21, 2014 and June 11, 2014**

The approval of the minutes of May and June were postponed until the September meeting.

**C. Approval of Agenda**

**Mr. Roybal moved to approve the agenda as presented. Mr. Furry seconded the motion and it passed by unanimous voice vote.**

### III. **CONSENT AGENDA** - There was none

*Councilor Ives entered the meeting at this time.*

### VII. **ITEMS FROM THE PUBLIC** (Revised Agenda Order)

Mr. Simon Brackley on behalf of the Chamber of Commerce recognized Mr. Roybal for his effort, leadership and community mindedness. He said he and Mr. Roybal and about 100 other volunteers were on the Plaza Saturday morning painting benches and cleaning up the Plaza. He said that could not have happened without Mr. Roybal. Mr. Furry seconded the acknowledgment.

Chair Lindell thanked Mr. Furry and Mr. Roybal for their efforts and pulling the event together. She said the event was amazingly worthwhile and fun and a community effort. She thanked Mr. Roybal for everything he does without acknowledgment. She also acknowledge the efforts of Swiss Bakery for providing pastries; Paul Margetson of Hotel Santa Fe for providing burritos; Chuck Higgins who supplied coffee; the Bristol for providing a suite and Coca Cola for providing water.

Mr. Roybal added there was tremendous support from the merchants and Mr. Brackley, Mr. Furry and Mr. Conway and the community who showed up to help.

## II. **INFORMATIONAL ITEMS**

### A. Data on Santa Fe Economy Presentation and Discussion

Ms. Nobel explained the work is to update the Economic Development Plan. She said staff worked on quantitative analysis and met with the developers of the Workforce Solutions Report. She said the Report should be analyzed; even the economists had questions. The statistics for the *in commute/out commute* might show that people work in Santa Fe that do not, because Santa Fe is the capital of the state's government.

She said the Committee would work on two goals today:

1. To establish a common understanding of Santa Fe economy, statistically.
2. To understand how economic development can use data for the City to (a.) identify and address problems in the economy and (b.) identify and take advantage of opportunities that can be used in the economy.

Ms. Noble said the process starts with *where and who* they are, a value system and defining the culture. The second part will be to take action.

Mr. Roybal said the Committee has gone through processes such as this before. He voiced concern with what happens with the work and if the work will make a difference and be used properly. He cited the work of the Roundtable as an example where a lot of time and effort never went anywhere. He said he wants everything the Committee does to be beneficial.

Ms. Nobel agreed. She said Mr. Roybal might not be aware of how the Existing Economy Report and the Roundtable Outcomes have been used. She said the six documents (the Angelou Plan, the 2008 Implementation Plan, the Future Economy Report/Existing Economy Report, the Roundtable Outcomes and the Mayors Forum on Jobs Outcomes) have guided policy significantly over the past few years.

Mr. Sisneros said the process of public hearings allows staff to focus on the different issues. He asked if the City Council and Mayor have established a policy with the data or are looking at that.

Councilor Ives said for him the discussion starts with what they want Santa Fe to be. He said a pathway is needed to determine where they want to go and that would then be assessed against the goal. He said the Mayor's three initiatives are; the climate action/energy; children/youth/education and jobs and the economy. He said the Mayor is putting that together and Councilor Lindell is heavily involved and he hopes to assist.

Ms. Nobel offered to re-send the six documents to the members with the matrices that outline each plan and the common themes.

Mr. Trujillo said it would be helpful if everyone understands the nomenclature of economic development; i.e., what is meant by *a job*; is it economic based or a service sector job, etc. He said the state has a significant effect on what Santa Fe does policy-wise with economic development, the tax code and tools. The city needs to ensure that what they are doing will mesh with what the state is doing.

Ms. Noble said Albuquerque's preface is that they are a one-industry government and a one-company town (Intel) and the city needs to diversify. She said Santa Fe is no different. She said the top six categories of jobs (page 1 of Exhibit 1) are: Government; Retail Trade; Health Care and Social Assistance; Accommodation & Food Service; Education; and Construction; and the top six categories are 73% of the employment in Santa Fe.

She said (page 2) the Projected Santa Fe Employment Growth from 2010 to 2020 shows Health Care as big and growing and (page 3) that Santa Fe has many small businesses and about 3k (thousand) employee one to four people. The Types of Businesses Chart on page 4 shows the small business categories.

Ms. Noble said the number of Scientific and Technical Service businesses in Santa Fe was a surprise and is the largest business employing one to four people.

Chair Lindell asked how tourism fits in the Types of Business chart. Ms. Nobel explained that tourism is scattered throughout the Retail Trade, Accommodation & Food Services and Arts, Entertainment & Recreation categories.

Ms. Noble said *values* are the community glue and corporate culture and that should guide everything Santa Fe wants to do. She reviewed the values that staff developed as a guide: a clean environment; a strong social conscience; local; to preserve tradition and culture; being creative. She asked what values the members would add.

Councilor Ives said he agrees with a strong social conscience and that encompasses many things. The living wage and social programs are a significant part of Santa Fe and the city's commitment to ensure people can live, raise families and work in Santa Fe.

Ms. Noble said *who we want to be* works side-by-side: greater income equality so people can afford to live in Santa Fe; high wages and a qualified workforce. Secure and diverse industries and jobs were discussed as part of the diversity and a robust infrastructure and maintaining a high quality of life.

Mr. Sisneros said a commitment to economic development as a value is a strong statement to the community. He said secondly, a commitment to be a friendlier city where people stay and shop.

Mr. Conway liked the St. Michael's corridor, He said a geographic focus for economic development is important and the city should build little communities within the community. He gave the Rodeo Plaza area as an example of a place with services that people can walk or bike to. He said with the south side growing residentially, it is a good opportunity to focus on how to keep the city's focus on neighborhood development.

Ms. Kapin said that gets into zoning and the need for a way businesses can get into neighborhoods that would not be cumbersome. She likes that *a clean environment* is on the list of values, but said a lot of work has to be done to do that. She thought environmental is more a personal value than could be executed on a city-wide level.

Ms. Nobel said the Committee previously spent a lot of time on a clean environment and quality of life.

Councilor Ives added a healthy community as part of *who we want to be*; the availability of recreation such as bike paths and walking trail amenities and healthy food options & agricultural issues. He said a healthy population needs to be a strong goal.

Mr. Roybal said the business community needs to come together with the school system to produce people who can work and live in Santa Fe.

Ms. Kapin said affordable housing is needed for the "living wage" population. She said Santa Fe is one of the most racially, economically and diverse communities for its size. She would add having a place that all of those identities could be visible, celebrated and happily coexisting.

Ms. Noble pointed out the Wages by Industry (page five) and that Santa Fe is slightly above the state-wide average. She said noted that under Wages by Industry the Accommodation & Food Services is at the bottom with Retail right above it; both have to do with tourism. She said the top wages are in Finance and Insurance; Professional/Technical Services and Government.

Ms. Noble asked the Committee to think about how the city could play to their existing strengths. She asked if something new needs to be developed, what that would be.

Ms. Nobel said possible industries are digital media and outdoor recreation, which builds on tourism. She pointed out that although the majority of tourism wages are low; outdoor recreation plays to the city's existing strengths. The beautification of the Plaza is enjoyed by the community and enhances the quality of life and tourism at the same time.

Ms. Kelly said retail has two types of businesses; local and seasonal. She said the seasonal depends on tourism and has peaks and valleys that affect hiring. She thought a local business should be separated from businesses that depend on tourism, because there are different goals. She suggested doing events to stabilize and extend the tourism season like identifying months like November and February, when business for many restaurants, art galleries, retail etc., is low.

Ms. Nobel said some work has been done on that. A resolution was sponsored by Councilor Wurzbarger that prioritized OTAB (Occupancy Tax Advisory Board) money to shoulder seasonal events.

She pointed out that the Committee's work in economic development approaches and interacts with tourism, but their primary work is *not* tourism. She said there is a lot of commonality, but helping retail comes down to technical assistance around financing and marketing.

Councilor Ives said the public banking idea is that a broader category of finance leads to wages, etc. and that is the kind of industry Santa Fe wants. That is a way to make more money available to businesses so they can grow and attract more of the financial industry to Santa Fe. He said part of that is to look at the city's budget to determine where to allocate resources more intentionally.

Ms. Kelly said businesses that rely on tourism tend to get passive and expect customers to come to them, rather than actively seek customers in other communities. She said social media could help and the Committee could assist with strategies to help stabilize business in low seasons.

Mr. Trujillo said to him economic development focuses on job creation, which is business development. And then there is community development called the factors of production. He said that influences how the jobs are created, like a good financial system; a broadband infrastructure, etc.; the things that stimulate growth.

He said the talking about financial services is creating a public bank; an infrastructure piece. And then there is the expansion of financial companies in Santa Fe, which would help companies grow. The growth creates an economic base in financial services and creates jobs directly. He said policy states they will work on business development; workforce development and sites and infrastructure; the last two are basically community development.

Ms. Nobel said the Committee needs to discuss risk and think about investment and the plan talks about an investment portfolio with a million dollars. She reviewed the programs that the city invests in: Santa Fe Biz Incubator, Velocity, Mix/BizMIX, Youthworks, Recruitment (business), etc.

Members were teamed up and asked to show which category of high, medium or low risk that they would place programs in. They were to assume low risk is safer and high risk could yield higher returns.

The members discussed their decisions.

Mr. Furry/Ms. Kelly: High risk- 40% (Mix, Velocity, film). Medium risk-30% (Youthworks, Recruitment, How to Santa Fe, Shoot Santa Fe, outdoor recreation). Low risk-30% (the Incubator, SCORE). *Priorities:* Mr. Furry would push for higher risk; Ms. Kelly: the spirit of innovation and creativity.

Mr. Roybal/ Chair Lindell: Tourism is number one and to become more business friendly and provide better service; and to have more awareness of how much money leaves Santa Fe through commute. *Priorities:* Mr. Roybal wants a business friendly aspect in support of tourism; Chair Lindell: the low hanging fruit of economic development and a workforce that lives in Santa Fe.

Councilor Ives/Ms. Kapin: Ms. Kapin would invest 40% high, 35% medium and 25% low and Councilor Ives: 20-25% high, 50-60% medium and 20-30% low risk. *Priorities:* Ms. Kapin: the Velocity



Program and investing with youth and local and cultivating small businesses; Councilor Ives: business development.

Mr. Conway/Mr. Sisneros: the risks would be spread equally across all categories of high, medium and low. Instead of *Grow Santa Fe Young* they felt the huge retirement population with good infrastructure in various sectors of service require youth that would take care of the aging population. *Priorities*: Mr. Conway: business attraction, whether outdoor recreation, etc.; Mr. Sisneros agreed.

Mr. Brackley said Ms. Noble mentioned statistics on health care, government and tourism, but none of the conversation touched that. He said since Healthcare is forecast to grow at a large rate, the low hanging fruit is efforts such as Velocity that could be tied to healthcare and aging. He suggested bringing healthcare into the programs in every sense: dietary; transportation; marketing; technology, etc. He said there could be overlap to create good paying jobs.

Mr. Trujillo said the Committee should also look at entrepreneurship. He said to help the existing businesses would be a way to keep the economy healthy and growing and creates jobs. He said he consistently hears that streamlining the regulation process would help businesses. He told of a site visit where he learned about Santa Fe's reputation; businesses think the permit and regulatory items will cost their company a lot of time.

Mr. Roybal said the issue has been ongoing for years. He asked why that is not already corrected. Ms. Nobel replied that some has to do with community values. Santa Fe has an historic district that to some is a headache. She suggested they look at how to balance that with the values of preservation.

Mr. Sisneros asked if there is a timeline of when City Council would be given the list.

Ms. Nobel said she hopes for something cohesive by year end. She said the list could not include everything that would streamline regulations, but the Committee could list matters to focus on.

Ms. Longserre said a frustration she hears from entrepreneurs and start-ups is people feel pulled in a lot of directions. She said there is opportunity to coordinate business services and programs. She said a program like Velocity that has brand recognition provides opportunities for companies to be more effective in aligning with the goals.

She said Albuquerque and many cities around the country are partnering with capital to help the companies get up and going quickly, along with programs that exist. That gives the companies a kick-start and allows them to create the dollars and that then creates the jobs.

Ms. Kelly asked what the Mayor's top priorities are.

Ms. Nobel said she has heard three key areas: education, environment, economic development, with education a part of economic development. She has also heard a lot about *Growing Santa Fe Young*, economic corridors, business attraction and upper mobility.

Ms. Nobel said the Committee will continue to think about how to play to existing strengths and what to invest in. She pointed out that the members' priorities have a lot of consistencies. She said the Committee should come to a consensus on something they could support.

Ms. Noble passed out a list of priorities made by staff. She said the hope is to agree on a number of statistics the BQL feels is accurately represented. The list is to be returned a week before the next meeting.

#### **VIII. ITEMS FROM THE COMMITTEE**

- SF Global Trade Initiative Work Group Update (Mayor Pro Tem Ives)

Councilor Ives said the Initiative Work Group focused on trade and tourism and the possibility of websites in foreign countries. The group thinks that China and Mexico would be an advantage for growing tourism and trade. Public/private partnerships would be set up and local institutions would be asked to participate with the city in creating the website and providing content and maintenance. Canada and Brazil are other target areas and eventually expansion could be to Japan and Korea; the Asian markets.

#### **IV. UNFINISHED BUSINESS** There was none

#### **V. ACTION ITEMS**

#### **VI. ITEMS FROM THE PUBLIC-** There were none

#### **IX. ITEMS FROM STAFF**

Mr. Trujillo reminded everyone there is a RDC (Regional Development Corporation) sponsored summit meeting on August 21 at Ohkay Owingeh Pueblo and a Regional Interim Job Council meeting.

Ms. Kelly mentioned how wonderful it is to have the Plaza closed. She said seating was packed and the benches and flowers looked beautiful.

#### **X. ITEMS FROM THE CHAIR-** There were none.

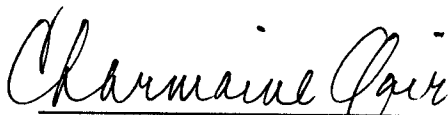
#### **XI. NEXT MEETING DATE- September 10, 2014 at 11:00 a.m.**

*Having no further business to discuss the meeting adjourned at 12:52 p.m.*

Approved by:

  
Signe Lindell, Chair

Submitted by:

  
Charmaine Clair, Stenographer

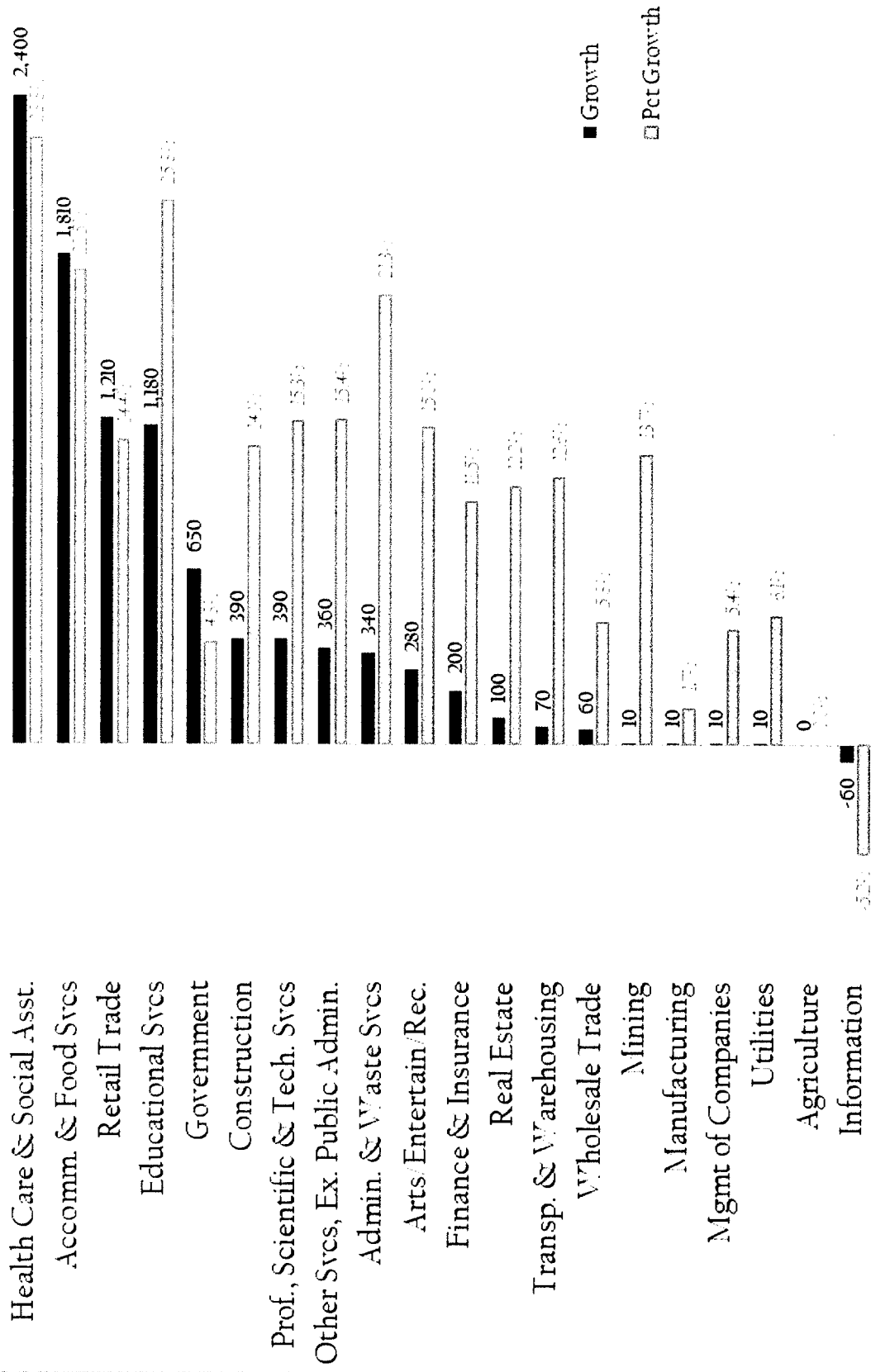
**DP SIX CATEGORIES = 73% OF JOBS**

**EVERYTHING ELSE = 27%**

<b>Santa Fe MSA ( NM Dept. Workforce Solutions) Number of Jobs by category</b>	<b>4th QTR 2013 Jobs</b>	<b>4th QTR 2013 Percentage by Category</b>
<b>Government</b>	<b>9,700</b>	<b>15.8%</b>
<b>Retail Trade</b>	<b>9,104</b>	<b>14.9%</b>
<b>Health Care &amp; Social Assistance</b>	<b>9,092</b>	<b>13.8%</b>
<b>Accommodation &amp; Food Service</b>	<b>8,438</b>	<b>14.8%</b>
<b>Education</b>	<b>4,977</b>	<b>8.1%</b>
<b>Construction</b>	<b>3,439</b>	<b>5.6%</b>
<b>Other Services, Except Public Admin.</b>	<b>2,471</b>	<b>4.0%</b>
<b>Professional &amp; Technical Services</b>	<b>2,464</b>	<b>4.0%</b>
<b>Arts/Entertainment/Recreation</b>	<b>2,280</b>	<b>3.7%</b>
<b>Administrative &amp; Waste Mgmt.</b>	<b>2,126</b>	<b>3.5%</b>
<b>Finance &amp; Insurance</b>	<b>1,780</b>	<b>2.9%</b>
<b>Information</b>	<b>1,011</b>	<b>1.7%</b>
<b>Remaining Industry categories</b>	<b>4,370</b>	<b>7.1%</b>
<b>Total Works for all Categories</b>	<b>61,252</b>	<b>100%</b>

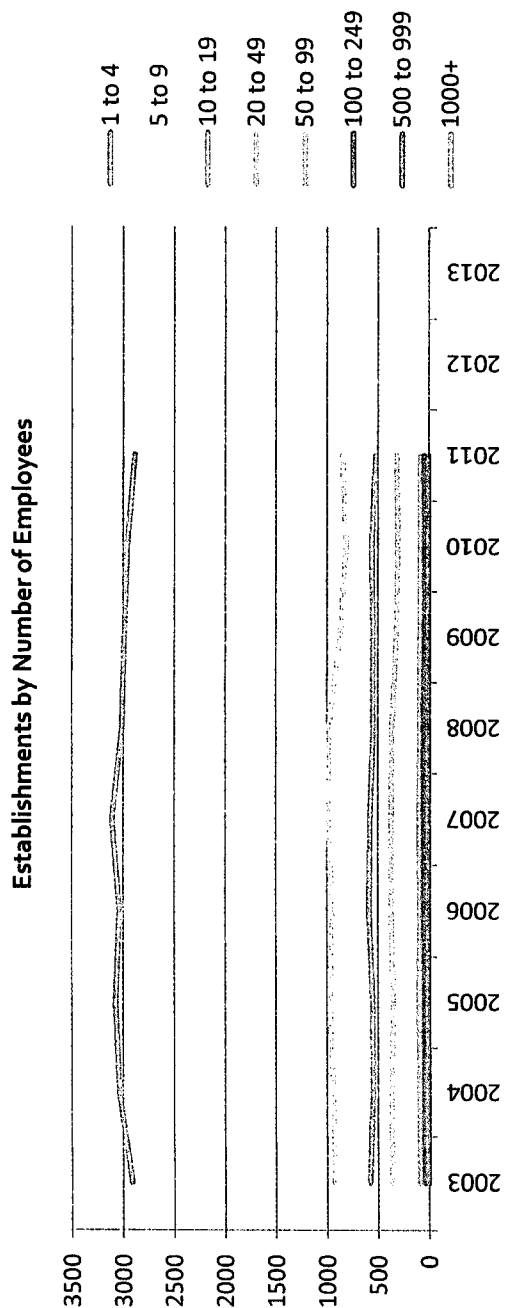
**Source:** New Mexico Department of Workforce Solutions' QCEW unit4th Qtr. 2013 (October, November, December) Quarterly Census of Employment and Wages, Sector (2 digit) data for Santa Fe County, NM,

## Projected Santa Fe Employment Growth, 2010 to 2020



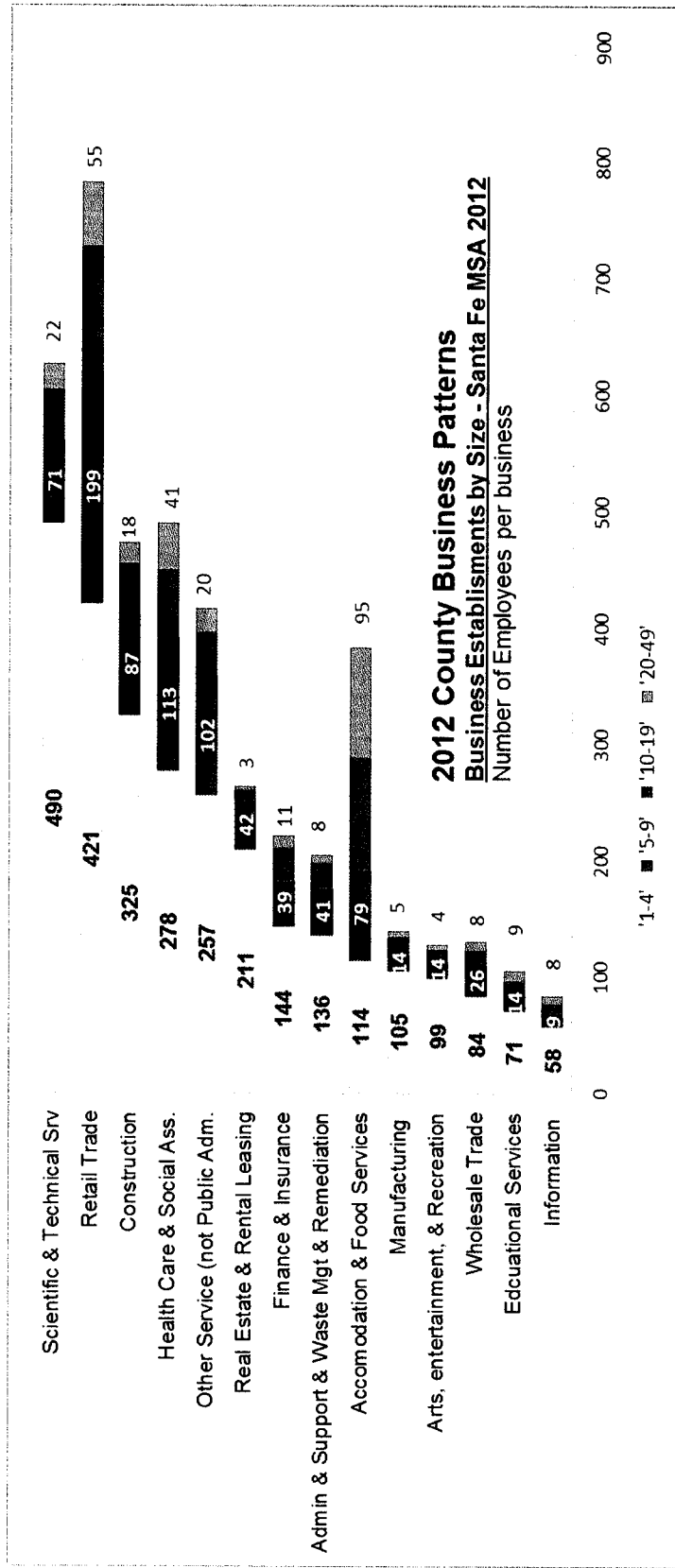
## LOTS OF SMALL BUSINESSES

The chart below shows that 61% of total business establishments are comprised of 1-4 employees or 2863 out of 4702 business establishments.



## STRENGTH IN SCIENTIFIC AND TECHNICAL SMALL BUSINESSES

### TYPES OF BUSINESS – BY SIZE



Source: <http://censtats.census.gov/>

Total employees are 41,203 with Science representing 2,390 employees or 5.8% of this sample. Retail, Health and accommodation each take about 20% each of the sample with 26,353 employees for these three industries.

# Wages by Industry MSAs - Annual (Weekly) Averages, 2012

Finance & Insurance	\$1,100	\$2,239	\$1,067
Mining	\$1,382	\$1,412	
Professional & Technical Services	\$1,362	\$1,303	\$1,370
Management of Companies & Enterprises	\$1,346	\$1,271	\$1,249
Utilities	\$1,142	\$1,224	
Wholesale Trade	\$996	\$971	\$961
Public Administration	\$1,052	\$959	\$990
Information	\$882	\$927	\$863
Health Care & Social Assistance	\$850	\$877	\$785
Transportation & Warehousing	\$890	\$840	\$893
Real Estate & Rental & Leasing	\$643	\$806	\$679
Total, All Industries	\$807	\$790	\$783
Manufacturing	\$1,194	\$716	\$1,068
Construction	\$821	\$691	\$796
Educational Services	\$675	\$748	
Administrative & Waste Services	\$657	\$653	
Other Services, Ex. Public Admin	\$566	\$649	\$562
Arts, Entertainment & Recreation	\$647	\$479	
Agriculture, Forestry, Fishing & Hunting	\$531	\$639	\$494
Retail Trade	\$518	\$577	\$500
Accommodation & Food Services	\$322	\$412	\$313

□ Albuquerque □ Santa Fe □ New Mexico

# INDUSTRY WAGES + GROWTH

Job Category	2012 Real GDP Percent of Total	3rd QTR 2013 GRT Percent of Total	3rd QTR 2013 GRT (\$M)	4th QTR 2013 Average People Employed by category	4th QTR 2013 Average Weekly Wages	4th QTR 2013 Percent of total jobs	2010 - 2020 Projected Job Growth	2010 - 2020 Percent Job Growth
Finance & Insurance	5.2%	1.2%	\$12	1,780	\$5,891	2.9%	200	11.5%
Professional & Technical Services	6.0%	8.5%	\$82	2,464	\$1,531	4.0%	390	15.3%
Information	2.6%	5.8%	\$56	1,011	\$1,047	1.7%	(60)	-5.2%
Government	19.6%	0.0%	\$0	9,700	\$1,042	15.8%	650	4.8%
Health Care & Social Assistance	9.1%	4.8%	\$46	9,092	\$946	14.8%	2,400	28.8%
Construction	3.6%	14.1%	\$136	3,439	\$894	5.6%	390	14.1%
Administrative & Waste Mgmt	1.7%	0.1%	\$9	2,126	\$704	3.5%	340	21.3%
Other Svcs, Except Public Admin.	3.2%	9.8%	\$94	2,471	\$692	4.0%	360	15.4%
Education	1.2%	0.7%	\$6	4,977	\$680	8.1%	1,180	25.8%
Arts/Entertainment/Recreation	1.1%	0.6%	\$6	2,280	\$663	3.7%	280	15.0%
Retail Trade	9.9%	28.1%	\$271	9,104	\$580	14.9%	1,210	14.4%
Accommodation & Food Services	7.0%	13.6%	\$131	8,438	\$430	13.8%	1,810	22.5%
<b>Totals</b>	<b>99.5%</b>	<b>100.0%</b>	<b>\$965</b>	<b>61,253</b>	<b>\$946</b>	<b>100%</b>	<b>7,020</b>	

Santa Fe Population	US Census 2010	Jan. 1, 2014 (Estimated)
City	67,947	82,800
Metro Area ( Includes City)	117,651	119,200
County (Includes metro area & City)	144,170	146,200
* Includes city's annexation of 13,000+ residents effective January 1, 2014		