



Agenda

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CITY BUSINESS & QUALITY OF LIFE COMMITTEE

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

**Wednesday, August 10, 2016
11:00 AM – 1:00 PM**

- I. PROCEDURES
 - A. Roll Call
 - B. Approval of Minutes – July 13, 2016
 - C. Approval of Agenda
 - D. Approval of Consent Agenda
- II. CONSENT AGENDA (None)
- III. ACTION ITEMS
 - A. Request for approval of a resolution requesting the City Manager to direct staff to develop a plan the city can implement to improve the appearance of medians along city roadways. (Councilor Trujillo) (Robert Carter / Richard Thompson)
- IV. INFORMATIONAL ITEMS
 - A. Performance Indicators and City Metrics – Ross Chaney
 - B. Summary of Business Survey Results – Ross Chaney
 - C. Broadband Project Update and Transition Report (Kate Noble)
 - D. Office For Business Growth Report – Fabian Trujillo
- V. ITEMS FROM THE COMMITTEE
- VI. ITEMS FROM STAFF
- VII. ITEMS FROM THE CHAIR
- VIII. ITEMS FROM THE PUBLIC
- IX. NEXT MEETING DATE – **September 14, 2016**

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

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IX. NEXT MEETING DATE	September 14, 2016 Adjourned at 12:19 p.m.	10

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

WEDNESDAY, AUGUST 10, 2016

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 Signe Lindell, chair on the above date at approximately 11:00 a.m. at Market Station at the Railyard, 500 Market Station, Suite 200, Santa Fe, New Mexico.

A. Roll Call

Roll call indicated a quorum as follows:

Members Present:

Councilor Signe Lindell, chair
Councilor Michael Harris, vice chair
Dr. Almi Abeyta (arrived later)
Holly Bradshaw-Eakes
Brad Furry
Kim Kelly (arrived later)
Kate Kennedy
Chandler Moore
Buddy Roybal

Members Absent:

Dr. Camilla Bustamante
Miles Dylan Conway
Diane Karp

Staff Present

Kate Noble
Fabian Trujillo

Others Present

Jesse Guillen, City Attorney's office
Sean Moody, Broadband
Jane Hill, CEO Cyber Mesa
Charmaine Clair, Stenographer

Ms. Kelly entered the meeting at this time.

A. APPROVAL OF MINUTES- JULY 13, 2016

Ms. Bradshaw-Eakes moved to approve the minutes of July 13, 2016 as presented. Ms. Kennedy seconded the motion, which passed by unanimous voice vote.

B. APPROVAL OF AGENDA

Councilor Harris moved to approve the agenda as published. Mr. Roybal seconded the motion which passed by unanimous voice vote.

C. APPROVAL OF CONSENT AGENDA- There was none

II. CONSENT AGENDA - There was none

III. ACTION ITEMS

- A. Approval of a resolution to direct staff to develop a plan to improve the appearance of medians along city roadways. (Councilor Trujillo) (Robert Carter/Richard Thompson)**

Mr. Roybal said he is on the Board of Directors of the Rotary Club Santa Fe and they have taken the initiative to help with the beautification of Santa Fe. They met last week with Councilors Ives and Trujillo and Robert Carter, Parks and Recreation Director on the issue of medians in Santa Fe.

He said staff has been directed to develop a median proposal and the plan is to have businesses help. He said the medians on Cerrillos and St. Francis Drive are terrible and are unkempt. He said Mr. Carter told him it was due to lack of manpower, among other things. The Rotary will take a leadership role and put a plan together.

Dr. Abeyta entered the meeting at this time.

Mr. Roybal said the Rotary will discuss the plan at a board meeting today and then make a presentation. The Rotary needs direction from the city on how the median should look and Mr. Carter has been directed to do something low maintenance and uniform. He said medians will be xeriscaped.

He said the Parks Director will need to decide a timeframe and there might be a contest held between landscaping companies to get ideas and an increase in the Adopt a Median Program. He added that Santa Fe Beautiful was also at the meeting and there is a lot of work to be done.

Councilor Harris said he asked to sign on to the resolution when introduced by Councilor Trujillo. He said he will probably talk with Councilor Trujillo and propose an amendment. He said in his short time as a Councilor he continually heard comments about medians, many from District Four, and to tax payers the medians represent a failure on the city's part to take care of basics.

Councilor Harris said he heard the Adopt a Median Program was mothballed because of insurance requirements. He said that should be looked at.

Councilor Harris said also although fairly controversial, IPM (Integrated Pest Management) was mentioned to use different materials. He said he has not read the protocol, but knows many people are looking at that closely.

Councilor Harris said he mentioned to the Parks Division Director Richard Thompson that the best example is Rancho Vallejo where the stretch of median is simple. He said much of that has to do with maintenance and it is a successful example of a public media; it looks good and is a point of pride.

Mr. Roybal said also from the meeting, the city will look at the ordinances between property owners and the median to maintain Cerrillos Road, which could be a lack of enforcement or understanding on the property owners' part. He added that the same is true of the portals downtown that are not maintained.

Councilor Harris said his point was that the City of Santa Fe should set the standards. He thought it would be hard to come down on property owners with similar conditions to what they see in the city. He said the issue is a tremendous irritant to many people and he is glad Councilor Trujillo brought the resolution forward and the issue will be worked on. He thanked the Rotary Club for pitching in and said they have a long history of performance in Santa Fe.

Mr. Roybal said Santa Fe Beautiful is the "go to" for the medians. There have been issues with insurance and requirements have now been lowered. They will report on how to make it easier to adopt a median and in addition look at the liability issue for businesses adopting a median.

Chair Lindell asked members to note the landscaping near the Capital. She said a landscaping company in Colorado used native grasses and rock. The landscaping is beautifully designed and beautifully taken care of and sets the standard for where the city wants to go.

Mr. Roybal said there was a \$50k contract with the Penitentiary until an inmate escaped. He would like to see if money is there for a private median study instead of through the city.

Ms. Kennedy asked the average cost a business spends that adopted a median and how many medians there are available to adopt. She was told cost is up to the business and many medians are available.

She said that information should be made available to the business community. There is not a lot of information about the Adopt a Median Program or the process on the Santa Fe Beautiful website. She suggested that Business Licensing could also inform new businesses about programs.

Chair Lindell said although the meeting was not a public hearing, she would allow a comment.

Mr. Mitch Busick said he attended a meeting with the Mayor, the Parks Director, the Parks and Recreation Director and Victor Lucero who are in the process of developing an IPM plan with an emphasis on parks and facilities. Mr. Busick said as a member of the IPM Task Force he is interested in the toxic herbicides they use to clean up medians.

Chair Lindell thanked Mr. Busick for his comments. She said she would entertain a motion.

Councilor Harris moved to approve the resolution to direct staff as presented. Mr. Furry seconded the motion.

Mr. Moore asked about a contact person. He said as they discuss the medians and their availability

with businesses they could give a central point of contact.

Mr. Roybal said Monday was the first meeting and there is a lot to do before that question can be answered. The board will take action and then present to other committees and there will be partners, such as the Chamber of Commerce, etc.

The motion to approve the resolution was passed by unanimous voice vote.

IV. INFORMATIONAL ITEMS

A. Performance Indicators and City Metrics – Ross Chaney

Ms. Noble presented information on this item in Mr. Chaney's absence. She reminded the members they have seen the performance indicators.

She said City Council approved the Economic Development Portfolio with the exception of the SCORE contract that will be considered tonight. She said the hope is at a minimum, to set baseline performance indicators for fiscal year beginning July 1, 2016.

Ms. Noble pointed out that housing units and pricing were added after the last Committee discussion. She said staff would like the Committee to recommend this as a basic set of indicators and there may be others added if necessary.

B. Summary of Business Survey Results – Ross Chaney

Ms. Noble said the survey response rate increased about 10% from 684 businesses to 759 businesses and a magnification of the trends was seen. Staff was better in this survey about segmenting the information businesses want. The information helps inform the activities of the Economic Development Program and in particular the OBG. The survey indicated that two thirds of the businesses have been in existence for more than 11 years with more than two thirds having less than \$500k in annual payroll.

Councilor Harris said looking at 2016 in terms of rating the business climate; in both cases they were 'Fair' with an even lower number for 'Excellent' and the numbers don't come close to 100. He asked what the other categories are and what those numbers were.

Ms. Noble said if interested she could provide the full results of the survey. She said the other numbers are between fair, poor and awful.

Councilor Harris said they need to show the bad as well as the good and should post the full results.

C. Broadband Project Update and Transition Report (Kate Noble)

Ms. Noble said the packet has an updated memo on broadband and they are moving from the completion of Phase One to Phase Two. She noted Sean Moody, the Broadband Project Manager was

present.

Ms. Noble said there are some points the memo did not cover. The city is beginning to see the positive effects in broadband and the biggest is the number of franchise applications submitted (five firms) since the Phase One project began. The franchise applications are the best indicator of the project goal to invigorate the wholesale market by getting more providers and competition in the Santa Fe area. There have also been sign-ups for Santa Fe Fiber (managed by Cyber Mesa) and Century Link offered the city more competitive pricing for IT (Integrated Technology) and Internet than previously.

She said Mr. Moody did an exceptional job building out the right amount of broadband that invigorated the wholesale market and encouraged competition, without building too much. She noted there had been concern from a service provider who indicated they would exit the market if the city built too much, because in part that is some of their profit.

Ms. Noble said the memo includes staff recommendations for the next steps and the Committee should be aware of and provide input on those. City Council action is needed to move to Phase Two and reallocate funds to build a downtown fiber loop.

She said also there are recommendations to expedite new franchise applications and the necessary code provisions. IT is working on a significant improvement to upgrade the transport capacity and that is included in the IT budget this year.

Chair Lindell said in terms of economic development and capital improvement projects City Council prioritized two things: the Santa Fe Airport and the expansion of broadband. She said City Council had many long discussions and this was a priority.

She hoped the Committee would not just support, but campaign to get the project started and completed. She said it is imperative to increase broadband if the city is to continue to feed economic development.

Mr. Roybal asked given the city budget if the \$400,000 was doable.

Ms. Noble said \$400,000 was allocated in 2014 by City Council for Phase Two specifically to extend fiber to the Santa Fe University of Art and Design (SFUAD). The recommendation to reallocate funds to a downtown loop is partly because the SFUAD is well served by its existing fiber and that route is not necessary.

She noted that Jane Hill, CEO of Cyber Mesa had joined the meeting. She said Ms. Hill runs the Santa Fe Fiber project for the city and her company Cyber Mesa is the city contractor. The city owns the infrastructure and has a four year contract with Cyber Mesa to build and manage the network.

Mr. Moody addressed operating costs. He said the city will not have operating costs. The operating costs are wrapped into the vendors cost and part of Cyber Mesa's compensation is operational revenue to keep broadband maintained.

Dr. Abeyta said Santa Fe Public Schools is building infrastructure in schools and currently is running fiber optics at Santa Fe High to support Chaparral Elementary. She asked if staff had talked with their IT Department looking to expand broadband, because together they could cover more ground.

Mr. Moody said he approached the schools on a number of occasions but never got a call back.

Dr. Abeyta offered to help with that.

Mr. Moore said the memo shows the city spends \$100k a year to connect City Hall and the Railyard Administrative offices. He said if cost is nullified by the project it would pay for itself in four years, ultimately saving the city more than the costs with the expansion and a \$100k every year thereafter.

Councilor Harris asked Mr. Moody if \$250k was sufficient for what is needed in the downtown area.

Mr. Moody said it was based on the cost on the first phase and the industry estimates and other sources at about \$40 a foot.

Chair Lindell thanked Mr. Moody and others who were attending the meeting. She said the city cannot afford *not* to do this project, particularly in light of the difference of \$100k a year.

Councilor Harris asked about the schedule. Mr. Moody explained construction for the two mile stretch to downtown takes about 6 months, but recommended Councilor Harris as an owner, budget about a year.

Ms. Noble said the year includes the administrative and approvals required, one of which is to get Mr. Moody back on the project. She said his relationships and knowledge of infrastructure and the complexity of the project from FCC regulations, the location of Century Link cables as well the providers in play and the relationships with their principals, is enormously complex. She said his knowledge cannot be replicated. She said the city must move through the approval processes and get the items in the memo approved before they can move on to construction.

Councilor Harris agreed. He said he thought the budget issue has been resolved, but will follow-up. He said he has known Mr. Moody many years and knows how effective he has been on the broadband project and to have him on the job will help to insure Phase Two is successful.

Ms. Bradshaw-Eakes asked about whether SFUAD agreed with the project.

Mr. Moody said the College was very vocal and instrumental in getting funding for the two phases and at the time could not get good internet. They now have three potential connections for fiber and have dropped their participation in the development of the project. He thought this low on their priority list.

C. Office for Business Growth Report – Fabian Trujillo

Chair Lindell said the Committee has read the report. She asked Mr. Trujillo if he had anything he wanted to bring to the Committee's attention.

Mr. Trujillo said the expansion for the OBG has been a success. He noted key observations he recommended be considered by the Committee next year:

- The regulatory subcommittee with Business Licensing resulted in city implementation of checklists and a better flow for businesses to talk with OBG.
- The city is looking at software to go into the Planning, Business Licensing, etc. and once installed the city can implement long-term goals the licensing committee recommended such as being able to purchase business licenses online. The subcommittee work helped decide the selection of vendors.
- The process for entitlement to get a business, or project going into development is cumbersome and takes about six months and is expensive and time consuming.
- Sign Permitting is burdensome and expensive and companies often coming to Santa Fe have to redesign their sign.
- There are new categories which are not addressed in the ordinances that should be looked at such as pop-up businesses. The special exemptions and necessary work with the Land Use Director makes that type of business process cumbersome.
- The code allows a certain size for building for commercially zoned businesses or developers who go through the master planning process, but not allow them to go straight to the building permitting process. Instead they are made to go back for approval through the Planning Commission or Board of Adjustment, taking time and making expansions more difficult.
- Mr. Trujillo recommended a subcommittee be convened to look at streamlining and making regulations more efficient, which also will help the business climate and survey results.

Mr. Roybal said this is been a continual problem that the city never seems to improve on and another is that small businesses are not familiar with the city system. He told about a small business contractor's experience. The contractor told him the department was always short personnel and lost his paperwork three times.

Councilor Harris said he would second that frustration and would hesitate personally to join a subcommittee because the issues have been around forever. He thought improvements will come possibly through the implementation of new technology that takes human touch out of the process.

Mr. Furry said a big improvement with technology would be the ability to schedule inspections ahead of time with the fire department or for new construction and remodels.

Ms. Kennedy said for businesses without a template it is hard to navigate through the city system because there is no pathway previously laid. She said there are a lot of deferrals especially with regulation and signage if you are the only type of that kind of business. She said there are a lot of businesses both new and existing, who are not aware that OBG is an option.

She asked how best to contact OBG and how committee members as the ambassadors for the business community could communicate to others what is available. She asked what could be done to

make sure services are used in the best way possible.

Mr. Trujillo said the OBG has a website and there is a direct line businesses can call. Ms. Noble added the business licensing window also has flyers and cards.

Mr. Trujillo said they do proactive marketing each year and send flyers that tell about the survey and the services of OBG to 7000 businesses with their business license renewals. He said he gets a lot of repeat business and also assists significant numbers of undocumented or Mexican business owners in navigating the city system in Spanish.

Chair Lindell asked staff to ensure the website includes information on contacting the OBG for assistance, not just to renew a license, but for those thinking about starting a business.

Ms. Kennedy said there is a website called "Doing Business with the City", but the OBG is not listed under Services and is referred to as the Business Ombudsman's Office. No direct contact information is included. A link to apply for a business license or look at RFPs is on the website, but OBG is not listed.

Chair Lindell asked that Mr. Trujillo ensure a link is provided.

Ms. Kelly noted that from 2015 to 2016, there was an increase of 52% of businesses requesting information about social media. She thought the increase represented businesses not comfortable with the use of online sales. She noted that only 15% of businesses had sales online. She said Google projects an online sales increase of 57% by 2018. She thought many small businesses don't take advantage or don't know how to use the social media and online tools.

Mr. Trujillo said staff has been ahead of the curve with business education seminars/programs and offers social media/website, particularly with SCORE. The results of the survey determine courses that businesses said they want and a seminar in Spanish will be added next year. He said many of the courses are marketed through social media and they see a more diverse, younger population. There are also referrals from WESST, SBDC and Score and a lot of work is done between the service providers.

Ms. Kelly thought small businesses in tourism can only be stabilized by an online presence and the small business community could benefit from seminars.

Councilor Harris said he thought that would be a professional or a business service provided in the marketplace, rather than through the city. The city could enable that and keep a directory of resources.

Ms. Noble said the 2015 survey did not have a question about social media, but staff made an effort to include it on the 2016 survey. The results of the survey direct the activities and resources through OBG and SCORE. They are working to make it clear who the resources are and what they do. She added that WESST conducts social media seminars for a small fee and there are business development providers throughout the city that have well attended social media seminars.

Ms. Kennedy said the importance of quality Internet is that it allows businesses to have productive online sales and that would be a plus for small businesses.

Mr. Moore said a lot is being asked of OBG with limited resources and staff. He said the Committee voted to give the Santa Fe Business Incubator (SFBI) \$205k last month. He noted that six core competencies are offered by OBG and coaching, location assistance and marketing overlap with what is offered by SFBI. He suggested referring some businesses to SFBI to allow the OBG to focus on the regulation, Internet and things most relevant.

Mr. Trujillo said OBG collaborates a lot with SFBI, whose mission is entrepreneurship. SFBI does a lot of coaching and provides services to about 18 businesses. The location assistance is basically for existing businesses and is more like recruiting, which is not done by the SFBI.

Mr. Trujillo said the OBG mostly assists businesses with regulatory issues and provides coaching in financing, particularly for start-ups. He said businesses that are growing fast and looking to expand need technical assistance and infrastructure, whether people or buildings, and the assistance is more involved. He gave examples of Santa Fe Spirits and Wildflower, International where staff spent many hours navigating through the entitlement process, finding a space, looking at the incentives package and coordinating financing, etc.

Ms. Noble said next week staff will kick off the portfolio with a meeting of all of the service providers and they constantly keep pressure on the providers to up their game. She said the focus for OBG is "an open door to anyone", but in economic development focus has to be companies that will grow and hire.

Ms. Bradshaw-Eakes asked if the survey had been shared with SCORE, SBDC, WESST etc., where collaboration is a two-way street and they can see the needs that staff is seeing.

Ms. Noble said the survey has not been shared and they do plan to release it. The BQL is the first time the plan has been made public.

Ms. Bradshaw-Eakes suggested another metric: the number of referrals from OBG to the service providers. She said that is also a piece, when talking about collaboration and efficiency, to avoid spending too much time in an area that another is better equipped to provide.

Mr. Trujillo said SBDC, SCORE and WESST send a lot of business regulatory assistance to his office and OBG knows the specialties of WESST and SCORE and also sends people back and forth.

Ms. Noble said staff tracks where businesses come from and go to, but what they don't know is if the business actually talked with the company to which they were referred.

Mr. Trujillo said OBG also does virtual introductions and gives businesses a list of referrals and introduces them to key people. The service providers usually do not tell OBG what happens and that is an area they need to have more follow-up.

Chair Lindell noted that OBG had been given a couple of things to follow up with.

V. ITEMS FROM THE COMMITTEE – None

VI. ITEMS FROM STAFF

Ms. Noble encouraged Committee members to attend the awards for BixMIX 2016 on Thursday, August 18 at 5:15 p.m. at New Mexico Hard Cider. Nine businesses will compete for about \$20k and judging will be tomorrow.

Chair Lindell added it is a fun event and is a good event to attend to see the work being done.

VII. ITEMS FROM THE CHAIR

Chair Lindell said in the meetings she tries to call on people to speak to make it easier and clearer in the recording of the minutes.


She said she also wanted to extend the Committee's deepest condolences to Miles Conway. She said Mr. Conway tragically lost his son last week. Members can get a message to Mr. Conway through Kate Noble.

VIII. ITEMS FROM THE PUBLIC- There were none.


IX. NEXT MEETING DATE-- September 14 , 2016

Having no further business to discuss the meeting adjourned at 12:19 p.m.

Approved by:


Signe Lindell, Chair

Submitted by:


Charmaine Clair, Stenographer