

CITY OF ALBUQUERQUE

INTEROFFICE MEMORANDUM

TO:

Timothy M. Keller, Mayor

FROM:

Stephanie Yara, Council Finance Officer GM 1/1/1/10

SUBJECT: Transmittal of Legislation

Transmitted herewith is <u>Bill No. R-18-82</u> Directing The Economic Development Department To Collaborate With The City Council Office And Other Local And State Government Agencies To Convene A Micro-Enterprise Development Fair (Peña), which was passed at the Special Council meeting of November 5, 2018, by a vote of <u>9 FOR AND 0 AGAINST</u>.

In accordance with the provisions of the City Charter, your action is respectfully requested.

SMY:mh Attachment

CITY of ALBUQUERQUE TWENTY THIRD COUNCIL

COUNC	CIL BILL NO R-18-82 ENACTMENT NO R-2018-081
SPONS	ORED BY: Klarissa J. Peña
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1	RESOLUTION
2	DIRECTING THE ECONOMIC DEVELOPMENT DEPARTMENT TO
3	COLLABORATE WITH THE CITY COUNCIL OFFICE AND OTHER LOCAL AND
4	STATE GOVERNMENT AGENCIES TO CONVENE A MICRO-ENTERPRISE
5	DEVELOPMENT FAIR.
6	WHEREAS, the Council finds that it is difficult to create regulatory,
7	business, and built environments that provide equitable access to engaging in
8	formal commerce for low-income individuals; and
9	WHEREAS, in regulatory, business, and built environments that make it
10	difficult for low-income individuals to access the mainstream labor market or
<u>5</u> 11	establish their own business as a means of earning an income, many of these
Deletion 11	individuals end up participating in the informal economy; and
4 ^	WHEREAS, although there is a need for the informal economy to provide a
14 12 14	safety net for low-income individuals who cannot find employment or
15	establish their own business, cities that do not take measures to support
± 16	these individuals sometimes end up expending more local funding towards
(Strikethrough Material) - (Strikethrough Material) - 1 1 1 2 1 1 1 2 1 1 1 2 1 1 1 2 1 2 1	ensuring their public safety and well-being while also missing the opportunity
₹ 18	to accrue revenue from business registration and solicitation permitting; and
19	WHEREAS, one opportunity for low-income individuals to find a point-of-
	entry into the market place, start generating some income of their own, and
Bracketed 22	contribute to the City of Albuquerque's tax base is to start their own micro-
<u>a</u> 22	enterprise; and
23	WHEREAS, micro-enterprises often operate on sidewalks and other public
24	spaces in ways that activate vacant, underutilized, underperforming
25	commercial districts, provide more "eyes on the street" to supporting

surrounding businesses, and create business	clusters that diversify the lo	cal
economy; and		

WHEREAS, there are many vacant properties in various commercial districts throughout the City that could be activated by micro-enterprises in the same way San Antonio's pop-up program encourages Downtown property owners to host short-term tenants in vacant spaces with all lease payments being waived and tenants only being responsible for insurance and signage; and

WHEREAS, micro-enterprises operating on sidewalks and other public spaces do not have to pay for rent and insurance, but can also pose a threat to the general public by causing congestion if not conducted responsibly or in coordination with nearby brick and mortar business owners and pedestrians; and

WHEREAS, the City of Albuquerque and other cities throughout the country have recently experienced an increase in the number of informal street vendors, street performers, and other self-employed individuals who rely on access to sidewalks and other public spaces to earn a living; and

WHEREAS, the City of Albuquerque would benefit from formalizing informal commerce into micro-enterprises that conduct business on sidewalks and public spaces because the City would not only be able to receive more revenue from individuals registering their businesses and purchasing solicitation permits, but it would also increase standards of behavior and safety while occupying those spaces; and

WHEREAS, for the purposes of this Resolution and according to the U.S. Census Bureau, the City of Albuquerque defines micro-enterprise as a business with five or fewer employees (one or more of whom owns the business), an operation that generally needs less than \$35,000 in loan capital, and an enterprise that does not have access to the conventional commercial banking sector; and

WHEREAS, cities like Albany, Georgia have been able to relax their business registration requirements or enable micro-enterprises to conduct business on the property of another business in order to provide low-income

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1	individuals with a point-of-entry into the market place to start earning liquid
2	income; and
3	WHEREAS, encouraging micro-enterprises to conduct business on
4	sidewalks and other public spaces would provide low-income individuals with
5	the most affordable option for bringing their products to the market, but might
6	also pose a threat to the general public by causing congestion if not
7	conducted responsibly or in coordination with nearby brick and mortar
8	business owners (per § 13-3-1-1 of the City of Albuquerque's Code of
9	Ordinances); and
10	WHEREAS, convening a Micro-Enterprise Development Fair would provide
11	an opportunity for low-income individuals to learn more about the business
12	registration process, how to secure micro-enterprise loans, how to grow their
13	businesses, and how to responsibly occupy sidewalks and other public
14	spaces; and
15	WHEREAS, convening a Micro-Enterprise Development Fair would provide
16	an opportunity for low-income individuals to provide public input on local and
17	state regulation related to micro-enterprise development that City Council staff
18	could use to inform the development of a longer-term plan; and
19	WHEREAS, a Micro-Enterprise Development Fair needs to involve a
20	continuum of businesses of all sizes and types, micro-enterprise development
21	organizations, financial institutions, merchant associations, intermediary
22	organizations, and state and local public agencies in order to explore
23	opportunities for encouraging more business-within-a-business practices; and
24	WHEREAS, a Micro-Enterprise Development Fair would help perpetuate a
25	win/win/win situation in which the City of Albuquerque would benefit from
26	increased revenue from business registrations, micro-enterprises would
27	receive more education on how to start and grow their businesses, and brick
28	and mortar business owners/property owners would have their properties
29	being more fully utilized.
30	BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
31	ALBUQUERQUE:
32	Section 1. City Council and Economic Development Department staff will
33	convene the first Micro-Enterprises Development Fair before the end of 2018.

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Section 2. City Council and Economic Development Department staff will collect all of the input received during the Micro-Enterprise Development Fair to create a long-term plan for supporting the City's emerging micro-enterprise community and convening subsequent Micro-Enterprise Development Fairs in low-income neighborhoods throughout the City.

Section 3. City Council and Economic Development Department staff will assess which neighborhoods throughout the City of Albuquerque would most benefit from convening subsequent Micro-Enterprise Development Fairs. This will include identifying commercial districts that contain vacant buildings and spaces for encouraging business-within-a-business lease agreements to be established.

Section 4. The Economic Development Department will assess its business registration and solicitation permitting processes and explore opportunities for collecting a more comprehensive set of data related to applicants' business types, sizes, and needs. The goal of expanding upon these data sets is to strengthen the City's ability to connect brick and mortar businesses with micro-enterprise vendors in a way that supports business-within-a-business practices. This is also intended to help identify opportunities for business clustering and the expansion of the City of Albuquerque's continuum of commerce.

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30	Katy Duhigg, City Clerk				
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Small Business Resource Fair - Participant Survey

1. Em	ail address *
a bı	at type of business do you operate in the City of Albuquerque? If you do not already operate usiness, what industry are your interested in starting one in? (Please check all that apply)
	Apparel, Textiles, Crafts Packaged Foods Consultation Services, Tech Startup Services, Design Clothing Jewelry, Purses, Accessories Food & Beverage (Raw, Prepared, Processed) Visual Arts & Crafts (Drawing, Painting, Sculpture) Home Accents (Furniture, Lamps, Candles, Linens) Toiletries (Soap, Lotion, Hair Products) Books & Literature Live Performing Arts (Dance, Live Music, Theater) Performing Arts Products (CDs, Records) Furniture New Mexico or Albuquerque-Specific Products Professional Services (Legal, Accounting, Engineering, Architecture) Professional Services (Hair, Salon, Nails, Spa) Information Technology, Software, Computers Non-Professional Services Other:
	at are the barriers to starting/continuing your business? (Please check all that apply) ck all that apply.
	Choosing your business type (e.g. sole proprietorship, partnership, corporation) Acquiring a CRS Identification Number from New Mexico Tax and Revenue Getting a Federal Employer Identification Number (FEIN) Registering your business with the City Establishing a business plan Having enough upfront capital to invest in equipment, marketing, etc. Acquiring capital for growth
And a second sec	Other:

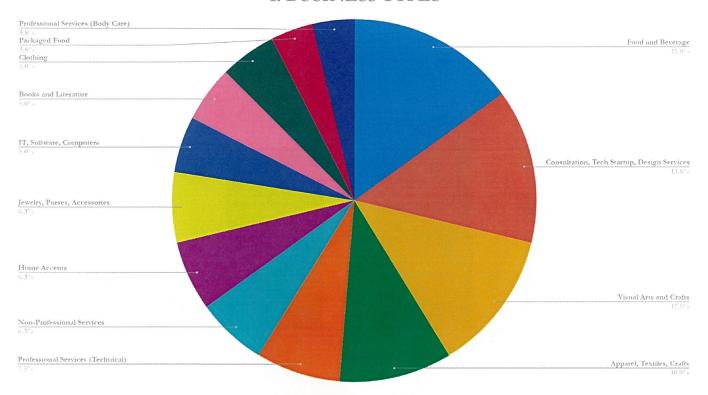
4. What were/are the barriers to registering your business with the City of Albuquerque? (Please check all that apply) Check all that apply.
Acquiring a CRS Identification Number from New Mexico Tax and Revenue
Completing the application form for registering your business with the City of Albuquerque
Paying the \$35 fee for registering your business with the City of Albuquerque
I did not face any barriers
5. How do you currently conduct your business? If you aren't already operating a business, how would you like to operate it? (Please check all that apply) Check all that apply.
Within the public right-of-way
Brick and mortar business
Business-within-a-business
At local vending events
Online
6. How do you currently/plan to market your products and/or services? (Please check all that apply) Check all that apply.
Social media
Fliering and postering
Website
Word of mouth
Traditional advertising, television, and newspaper
Other:
7. What is your race/ethnicity as well as the race/ethnicity of your fellow business owner(s) and employees? (Please check all that apply) Check all that apply.
Hispanic/Latino
White
Native American
Black
Asian
Native Hawaiian/Pacific Islander
Two or more races/ethnicities
Other
8. How many people does your business employ or do you want to employ?

9. How do you feel brick and mortar businesses, street vendors, and other forms of business support one another? (Please check all that apply)
Check all that apply.
They can financially benefit from one another
They can promote one another
They can mutually establish a broader customer base
They do not support one another and create competition
10. How can the City of Albuquerque better support you as a business? Check all that apply.
Provide more technical assistance on business registration, development, etc.
Connect you with local events/fairs/etc. for selling your products and/or services
Provide more technical assistance on business transactions
Connect you with more business development opportunities, including applying for micro-loans, grants, etc.
Send me a copy of my responses.
Powered by
■ Google Forms

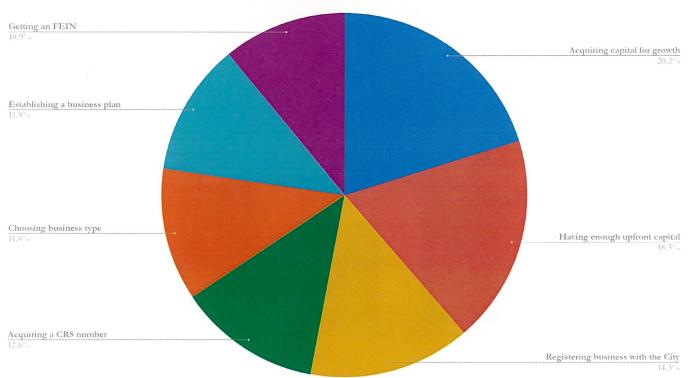
APPENDIX 3

SURVEY RESULTS

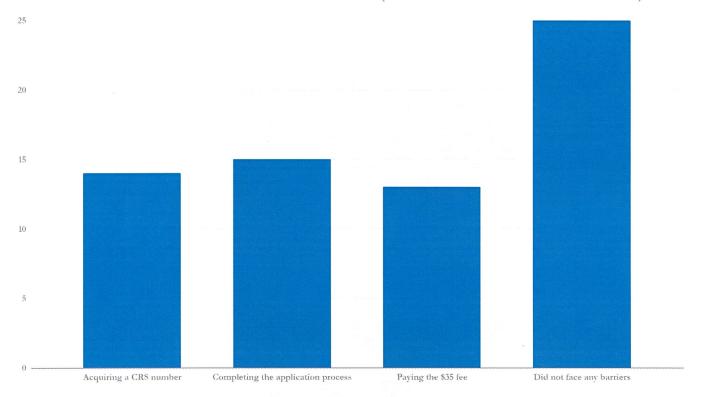
1. BUSINESS TYPES



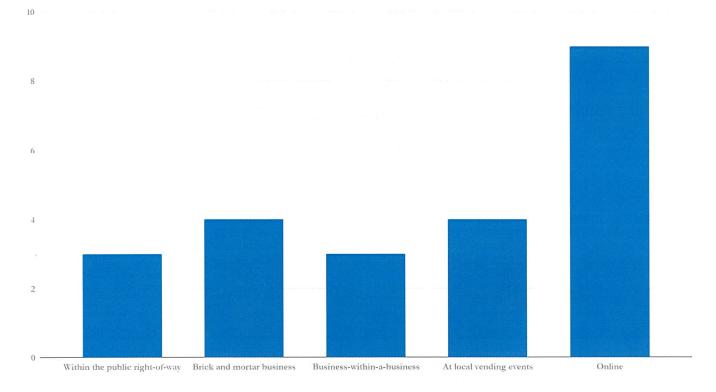
2. BARRIERS TO BUSINESS (PLEASE CHECK ALL THAT APPLY)



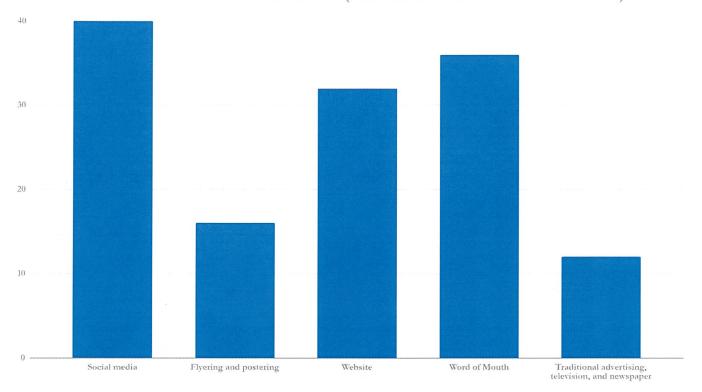
3. BARRIERS TO BUSINESS REGISTRATION (PLEASE CHECK ALL THAT APPLY)



4. CURRENT BUSINESS OPERATIONS (PLEASE CHECK ALL THAT APPLY)

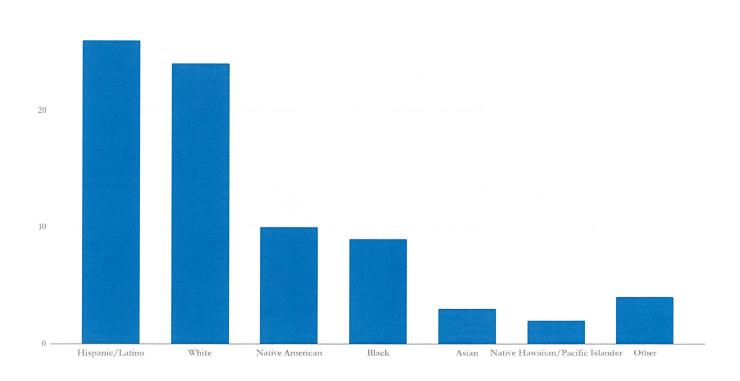


5. CURRENT MARKETING TOOLS (PLEASE CHECK ALL THAT APPLY)

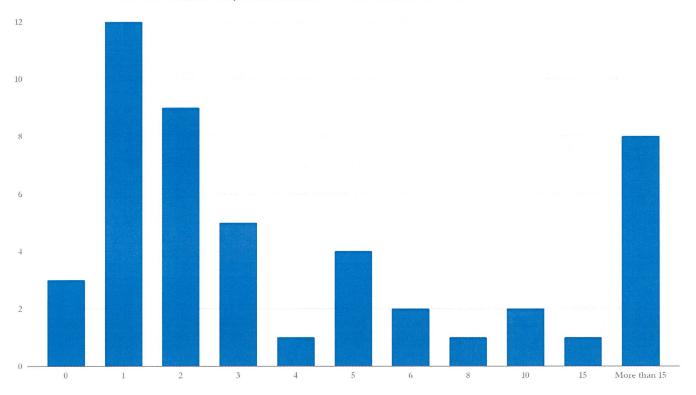


6. BUSINESS OWNER & EMPLOYEE RACE/ETHNICITY (PLEASE CHECK ALL THAT APPLY)

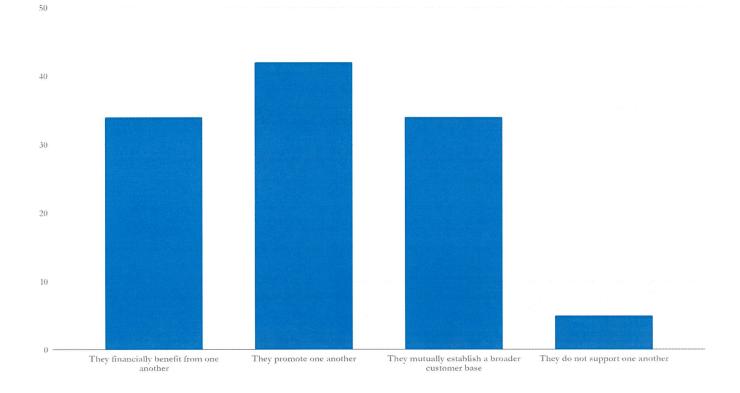
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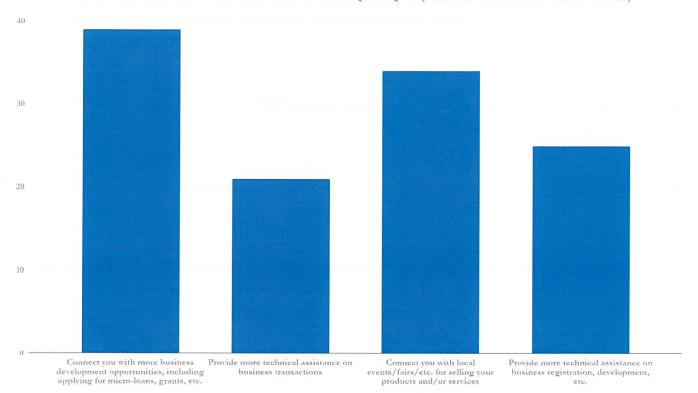
7. CURRENT/DESIRED NUMBER OF EMPLOYEES



8. BRICK AND MORTAR/STREET VENDOR SYNERGY (PLEASE CHECK ALL THAT APPLY)



9. SUPPORT NEEDED FROM THE CITY OF ALBUQUERQUE (PLEASE CHECK ALL THAT APPLY)



APPENDIX 4

Summary of Navigator Operations

The Small Resource Fair being an abbreviated encounter for the Navigator did not allow for us to provide the full sphere of the program operations. However, normally clients are individually profiled within each category of AMP namely Accept, Manage and Prosper. The Client Profile includes a condensed baseline data report that includes revenue streams, obstacles, and assistance requested; and client baseline story. The narrative is furthered by Navigation Point, which is the Navigation Team assessment of the business that includes the business potential to fulfill CABQ initiatives: Increment of One, Buy Local Initiative and Pop – Up. Finally, a SWOT analysis based on metrics pre-determined by CABQED and recorded within Sourcelink, the business tracking software provided by CABQED is added to complete the substantiation of the individual and team's assessment of the business.

We would conclude the Client Profile with a correlating list of Navigator recommendations, and CABQ Supports for the business to reach the assessed level of capacity and sustained profitability.

Growthwheel Screening is an assessment tool that includes twenty common areas or tasks undertaken by any business no manner the industry of involvement. Clients rate themselves within these twenty areas on a scale ranging from 25% to 100% and then identifies three areas to focus efforts to improve business operations and profitability. Growthwheel provides a client a birds eyes view of their business allowing them to create decisions and actions to make progress towards improvement.

The Navigator services and program are currently temporal; thus it very vital for partnerships with community organizations such as WESST, SVED, and others so that support for the small businesses and the community has a continuum. Furthermore, all the partners share and utilize the same tools including Growthwheel and Sourcelink.

Small Business Resource Fair Saturday April 6, 2019

This briefing will utilize the City Navigator AMP report to provide a full overview of Navigator activity during the Resource Fair.

What is AMP



AMP is an economic assessment moniker used to determine "capacity" of an individual business entity as regards its capacity to either Accept, Manage and Prosper with a short – term or long-term investment of city resources. The team developed this system to provide means to categorized different stages existing among the numerous business operating in Albuquerque.

- Accept is the determination that a business does, in fact, have the capacity to receive services and/or resources to start or grow a business operation.
- Manage is the determination that a business does have the capacity to sustain and/or further its operations along with increase hiring and may additionally advantage procurement opportunities.
- Prosper is the determination that business with additional investment can achieve growth, grow exponentially, maintain and advance the economic well-being of the immediate community, provide multiple long -term employment opportunities, and contribute to the city revenue based exponentially.

Thus, the moniker AMP.

Furthermore, AMP is also a gauge to assess a business' overall capacity to advantage CABQ procurement opportunities as well as compete for the same. The categories Manage and Prosper are within themselves dual as a business receiving an assessment of Manage does, in fact, has the capacity to Receive an investment. While a business receiving the assessment of Prosper has the capacity to both Receive and Manage an investment.

Capacity for the purposes of AMP and this report define a business's overall ability to utilize an initial investment of City Navigator Services to increase their net worth and gross revenue that immediately impact the current ecosystems within their community.

Navigator Activity

The Navigators met with 11 businesses entities. 7 identified as New Business Owners and 4 as Existing Business Owners. A business baseline data collection was not conducted in lieu of time constraints. We allocated 15 minutes for a Growthwheel 360 Screening and 360 Action Planning. The purpose of this exercise is to allow the business owner to focus his efforts and mental energies to most important areas that will realize profitability.

Accept

We found that 6 individuals demonstrated capacity to accept resources to start and develop a sustainable business.

Manage

We found that 2 individuals demonstrated capacity to manage resources to sustain and grow a business.

Prosper

We found 1 individual demonstrated capacity to manage resources, accept and manage funding to growth and increase profitability of a business. Additionally, business can advantage Procurement and Pop- Up opportunities.

The remaining 2 individuals were deemed not to have the capacity to AMP but are viable candidates for incubation and development having a business concept and a base structure.