

**MINUTES OF THE INCENTIVE REVIEW COMMITTEE**  
**REGULAR MEETING**  
**City Hall, 101 W. Broadway, Silver City, NM 88061**  
**August 5, 2013, 8:30 am**

**Present:**

Sherri Lyle, Chair  
Director  
Lynda Aiman-Smith, Vice-Chair  
Director  
Annie Lessem

**Also Present:**

Alex C. Brown, Town Manager-Finance  
  
Peter Russell, Community Development  
  
Ann L. Mackie, Town Clerk

**Not Present:**

Robert Donnelly (excused)  
Sherry Ann Clements (excused)

**1. Call to Order** - Alex C. Brown, Town Manager-Finance Director, called the meeting to order at 8:35 am.

**2. Roll Call** - A roll call of the Committee was taken and a quorum was present.

**3. Changes to the Agenda** - None.

**4. Introduction of members and Town Manager** - Each of the members that were present introduced themselves and commented on how long they had lived in the area, described their previous work history and background, and commented on why they were interested in serving on the Incentive Review Committee. Manager Brown and Peter Russell, Community Development Director, also commented on how long they had lived in the area, how long they had worked for the Town of Silver City, and their job responsibilities.

**5. New Business** -

**A. Election of Officers: Chair and Vice-Chair.** Manager Brown said they needed to elect a Chair and Vice-Chair. Ms. Lessem recommended Sherri Lyle since she was an At-Large member. Ms. Aiman-Smith seconded. All were in favor, motion carried. Manager Brown said Ms. Lyle could take over the meeting since she was the Chair. Ms. Lyle asked for a motion to elect a Vice-Chair. There was discussion about the 2 members that were absent, etc. Ms. Lessem nominated Ms. Aiman-Smith to be Vice-Chair. Chair Lyle seconded. All were in favor, motion carried. Ann Mackie, Town Clerk, would serve as the Secretary.

**B. Discuss adopting rules for the transaction of business.** Chair Lyle asked for a motion to adopt Robert's Rules of Order. There was further discussion. Ms. Aiman-Smith moved to use the Silver City version of Robert's Rules of Order and that the Chair could say there could be open discussions. Ms. Lessem seconded. All were in favor, motion carried.

**C. Discuss and possibly vote on approving an application form that guides the Project Participation Agreement.** Chair Lyle asked Manager Brown if they were going to tackle the application. He said it was a good time to talk about the process and said it was done with Stream; that a call center after Stream was going to submit an application but did not; that a movie theater was the only other one; and that the only potential one on the table was the Silco Theater and he discussed the funding with the

State Economic Development Department, etc. Mr. Russell explained that the reason that the Translux movie theater was denied years ago was because they would not employ very many people, and how he thought that it could have still been a catalyst for economic development. Manager Brown said the biggest problem with the Translux application was that there was another movie theater in town and that subsidizing Translux would have created a way to put the other theater out of business.

There was further discussion about looking at entities with part-time jobs and the potential for catalyst versus leakage; criteria to look at the potential of the surrounding area; tools like a shift-share modeling program; how they had to be sensitive to the personality of the community and how formulas may or may not work here; how they should check into the models; how their decisions would be lead more by gross receipts taxes than by employment, and that it may not look good to the community; the effects of the Stream jobs and the mining jobs and how they spent their income in the community; how the mining employees were given an American Express credit card for relocation expenses that immediately eliminated most businesses in the Town that did not accept that credit card; the Town Code and how the review criteria needed to parallel the process; how the shift share program would come out of the workforce office because they had the employment and economic data; how most of the data of the local workforce area was from the 4 county area of Catron, Grant, Hidalgo and Luna counties; how Priscilla Lucero with the Southwest Council of Governments could be a big help to them so they could prepare a document that they would have confidence in; the criteria in the Code; and how rural communities needed to be cautious because targeted industries and targeted jobs were driven by urban data and that you had to use local wisdom.

Members questioned how proactive they could be because the Code seemed more reactive, and asked if they could actively look for individuals who wanted to start a business or expand a business and come up with their own targeted list. Manager Brown said the Council of Governments (COG) was designated as the Town's Economic Development entity and the Incentive Review Committee would work with the COG to create the model, to help identify the sectors that they could recruit in, and to gather the data to encourage businesses to come here and grow here. There was further discussion about how home-grown businesses worked because they were invested in the community; how they needed to create an environment where more people wanted to participate; community networking; how they needed to do more than sit back passively; and how researchers could help identify the emerging potential local economic clusters.

Chair Lyle said the Committee needed to do their homework and look at the 2 programs to see if there was some sort of shell that they could review, and look at some numbers to know what they were talking about before they met with Priscilla Lucero at COG. There was further discussion about obtaining information about different programs and models. Ms. Aiman-Smith agreed to send some samples of criteria for an application for decision making and models to Ms. Mackie for copying and distribution.

**D. Schedule the next meeting and discuss agenda items for the next meeting.** The next meeting was scheduled for Wednesday, August 21, 2013 from 8:30 am to 10:30 am. The agenda would include Unfinished Business to discuss the application form that would guide the Project Participation Agreement and the process.

Mr. Russell stated there was an Incentive Review Committee for the County and they may want to see what their process was. Manager Brown said he would ask the County Manager, Jon Saari, about their Committee and stated the County's funding was from property taxes and the Town's funding was from gross receipts taxes. Chair Lyle said that she really wanted them to know what they were talking about and were happy with the paperwork before they talked to Dr. Joe Shepard and others. Manager Brown said the Town Council would look at the whole thing and maybe they needed to work with the County.

There was further discussion and Manager Brown added that they could also provide incentives to the mining district, and that the Town had a Territorial Charter so they could look at all of the options. He also said that he would check with the Freeport McMoRan mine about their employees' using American Express credit cards for relocation expenses since most businesses in town did not accept American Express.

**6. Adjournment** - Chair Lyle asked for a motion to adjourn. Ms. Aiman-Smith moved to adjourn at 9:53 am. Ms. Lessem seconded. All were in favor, motion carried.

/s/

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Sherri Lyle, Chair

Attest:

/s/

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Ann L. Mackie, Town Clerk