

News from EDD

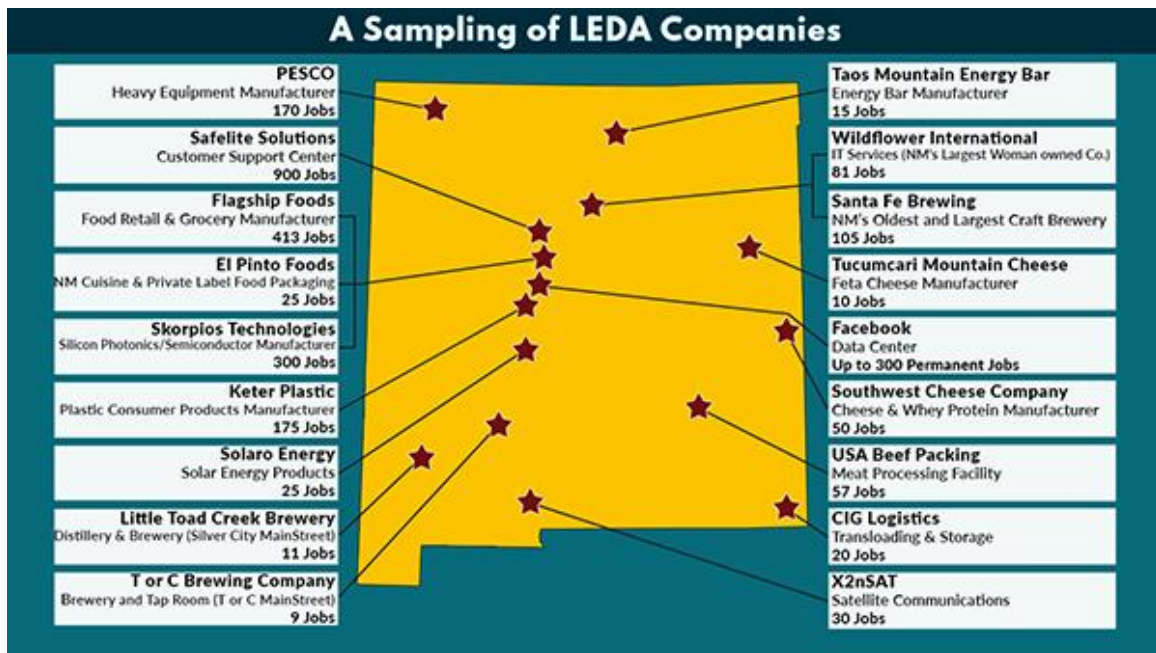
Friends of Economic Development,

Last month I wrote about doing more with less, as we work with lower funding for our key programs, LEDA and JTIP, in FY19.

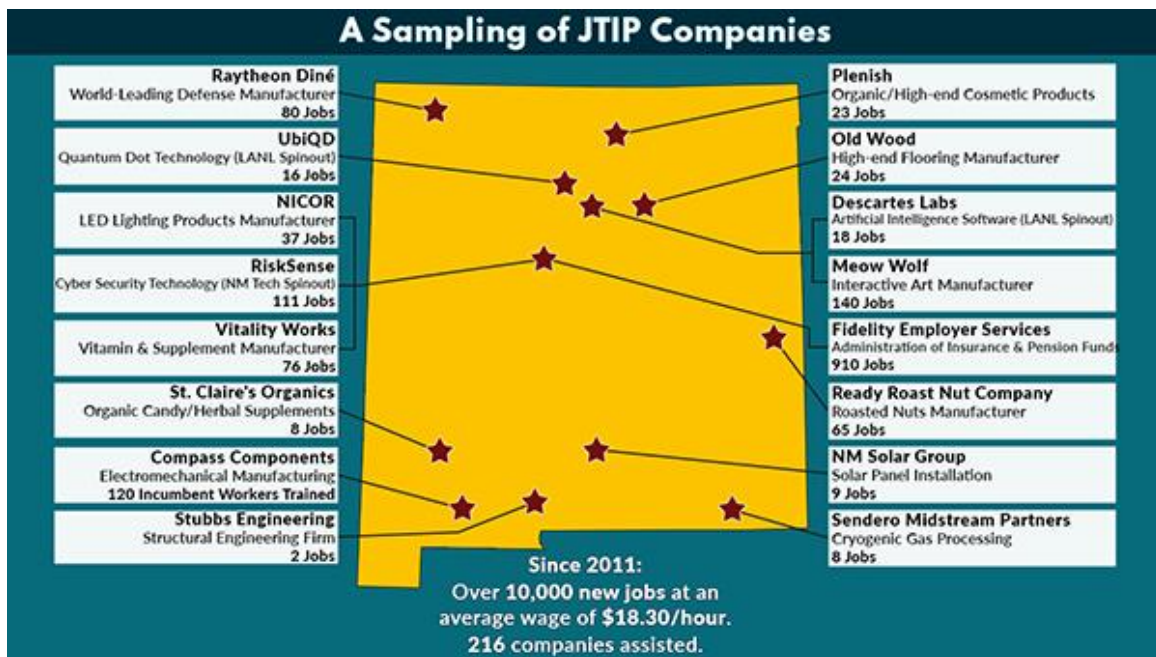
The dialogue around these core tools is, oftentimes, not rooted in fact. I'll set the record straight by using key performance metrics from LEDA and JTIP to demonstrate how our programs have been utilized for the benefit of hard-working New Mexicans and existing businesses across the state.

Our programs are outcome and performance driven and it's important now, more than ever, to accurately represent these critical results, to promote healthy public discourse and also to stimulate a positive ROI while safeguarding the public's money.

A common misconception is that only big, out-of-state, recruited corporations are the beneficiaries of JTIP and LEDA. The data tells a different story: a very significant percentage of our support goes to in-state companies.



Since 2011, 68% of JTIP companies and 57% of LEDA companies have been homegrown New Mexico firms. The expenditure of these funds further bears this out. Over the same period, 75% of JTIP appropriations and 40% of LEDA appropriations have assisted in the expansion of businesses already located in New Mexico. The accompanying graphics illustrate the reach of these tools across the state.



While these tools primarily help our local businesses, they are designed to assist a broad array of companies: they help small businesses with only a handful of employees and large enterprises adding thousands of jobs.

While lower funding for these critical tools will have a negative effect on job creation and unduly impact the heaviest users of our programs - our local companies - we will plow forward in assisting with both expansion and recruitment projects as we face the challenge of doing more with less, in an effort to create a healthier economy for New Mexico.

Sincerely,

Matthew B. Geisel
Cabinet Secretary

Join Us in Raton for NM IDEA Spring Meeting

The Spring NM IDEA and EDD Rural Council meetings will be held in Raton, at the Castillo Performing Arts Center, April 17-19. There will be a networking reception on the 17th from 5 to 7 PM at the Colfax Ale Cellar. Topics of discussion at the IDEA meeting on the 18th include the Raton Sustainability Center, State program updates, the Springer Cactus building case study and collaborative initiatives to reverse population decline in rural communities. Register today at NMIDEA.com.

From the New Mexico Film Office (NMFO)

Industry Directory: NMFO is updating our [Industry Directory](#). Please log on to make sure your contact information, business information and/or credits are up to date. If you need your login information email nmfilm2018@gmail.com and we will get it to you (please note it may take a day or two to reply).

Film Events: [Click here for a list of film events](#). If you have an industry event you would

like listed on the NMfilm.com, please email them to BarbaraA.Kerford@nmfilm.com.

Seeking Interns: The New Mexico Film Office is seeking summer interns, if you are currently enrolled or have graduated in the last year from a film program and would like to learn more about what the New Mexico Film Office does send your resume to BarbaraA.Kerford@nmfilm.com.

Why the Verge Fund Believes New Mexico is a Global Powerhouse When it Comes to Technological Development

We reached out to Thomas Stephenson of the [Verge Fund](#) to ask "Why New Mexico?" What is working in our state, what is exciting about New Mexico, and how the Verge Fund has made it work in spite of the challenges faced in our state? Following are his responses.

Why New Mexico? What do you love about our state and why do business here?

New Mexico spends \$5 billion annually on research dollars in our national laboratories and tier-one universities along the Rio Tech Corridor. We have smart, talented, driven entrepreneurs that can leverage this rich vein of technology and innovation into world class companies. We see that the state and local communities are also very motivated to promote entrepreneurial activities, including more access to capital, which supports our mission to help New Mexico reach its full potential by injecting capital into the next generation of entrepreneurs and startup companies. In New Mexico, we also have the advantage that we can afford to cultivate, train, and retain our workforce, whereas companies in other cities with a similar focus on tech and entrepreneurs have to spend significant resources training people who may quickly leave, or pay higher prices for an already trained workforce.

What are some of the biggest challenges you see for New Mexico businesses (e.g. workforce or capital) and how does the Verge Fund address them?

Access to capital is one of our bigger challenges, but access to capital is always an issue, and not just for New Mexico. A unique challenge we seem to face is a self-perception issue. We seem to internalize the "last place" mentality as something permanent or even completely true, when in fact, we have entrepreneurs and business people every bit as talented as other parts of the world. There's no reason why a prosperous economic ecosystem that supports small businesses, startups, and large corporations can only exist in cities with NFL teams.

We need to believe in ourselves, and, as one of the longest standing venture capital firms in the state, we do. That's why we do what we do, by providing capital to seed and startup stage tech companies. However, our value extends beyond capital alone. Combined, our general partners have over 100+ years growing companies in this state. We live here, we've been successful here, and we don't have a lot of people who live here that have gone through that process of seeing a company through its entire life cycle, from start to exit.

Which New Mexican resources and collaborations have been most beneficial to your portfolio companies?

Our portfolio companies have benefited from several state-led resources such as the [High Wage Jobs Tax Credit](#), the [NM SBIR matching grant](#), the [Angel Investment Tax Credit](#), and [JTIP](#).

What makes you optimistic and excited about the future of business in New Mexico?

Our city and state have embraced the critical importance of having an active entrepreneurial ecosystem for ourselves and for the next generation to come, creating opportunity for New Mexicans and people coming from out of state. We're optimistic that we'll continue to see a shift away from an over-reliance on government spending and will continue to see broad support from the state in entrepreneurial endeavors.

What surprises you the most about our state?

That more people haven't discovered this regional gem! Seriously though, it would have to be our lack of self-esteem as a state. We have frequent conversations about "being last place" and "thank god for Mississippi," but in fact, the people and institutions of our state don't take enough credit for our capability and accomplishments. We have great companies here and a rich and supportive ecosystem for entrepreneurs, small businesses, and startups, both creative and technical, in one of the best place places to live in the world. We have a tendency to sink into a sense of negativity and a belief that we are less well equipped than other parts of the country, when that's simply not true.

A little background on the Fund:

The Verge Fund is a venture capital firm headquartered in downtown Albuquerque. We provide capital to startup companies that line the Rio Tech Corridor; startups that are bringing either their own technology, or intellectual property licensed from the national laboratories and tier one universities to the marketplace. This region, and New Mexico in particular, is a global powerhouse when it comes to technological development. At Verge, we believe this region can reach its full potential. We bring together the best entrepreneurs as investors, founders, managers and advisers, to develop world class companies.

The idea for a seed-stage venture capital firm based in New Mexico started with initial conversations in 2003 between Ray Radosevich, Dave Durgin and myself; this group quickly grew into the founding team of Bill Bice, Dave Durgin, Jim Higdon, Ron McPhee, Ray Radosevich and myself who formed the first Verge fund in 2004. Dave, Jim and Ray have since retired, and we have been joined by Larry Lujan as a General Partner, Paul Short as a Venture Partner, and David Franklin as an Entrepreneur-in-Residence.

FUNDIT Webinar on Using the New Markets Tax Credit Program

The New Markets Tax Credit Program can be a useful development tool for communities, but it can be complex to understand. John Brooks, New Mexico Finance Authority, will be on hand to explain the program and application process for participants. The webinar will be held on April 4, 2018 at 2 PM. Please register [here](#). After registering, you will receive a confirmation email containing information about joining the webinar.

New Mexico MainStreet Announces Daniel Gutierrez as Co-Director of the State Coordinating Program

New Mexico MainStreet is pleased to announce that Daniel Gutierrez will now serve as Co-Director of the State Coordinating Program.



Gutierrez joined New Mexico MainStreet as the Assistant Director in 2014, which was identified as a critical position in New Mexico MainStreet's strategic planning goals. Under his leadership, MainStreet has undertaken many successful projects administered through the Frontier Communities Historic Theaters Initiatives. He develops and manages New Mexico MainStreet's financial incentives and funding partnerships including relationships with funding partners.

Before joining the MainStreet team he earned a BA in Cultural Anthropology, Archeology and Native American Studies from the University of California, Davis, holds an MA in Anthropology, and is a PhD Candidate in Cultural Anthropology from the University of Illinois at Urbana-Champaign. Gutierrez is a former Executive Director of Barelás MainStreet and was a founding member, Community Organizer, and Project

Director for the Barelás Community Coalition, a nonprofit community-based planning organization in Albuquerque. Gutierrez has extensive research and community development work experience in Albuquerque's Historic Barelás Neighborhood where he focused on the implementation of comprehensive community-based planning and economic development strategies, permanent affordable housing, impacts of revitalization and gentrification on low-income communities, New Mexican identity, space and place, and cultural citizenship. His work with New Mexico Communities mean his new position as Co-Director will build on his incredible MainStreet work and benefit our communities in meaningful ways as his role grows. New Mexico MainStreet is excited about the development of the program under his leadership.

Community Meeting Helps Envision Improvements to Dolores Huerta Gateway Park in Albuquerque's South Valley

New Mexico MainStreet (NMMS) Revitalization Specialists Amy Bell and William Powell were recently part of a planning session in Albuquerque in partnership with the South Valley MainStreet program which manages the La Familia Growers' Market. The MainStreet program convened community members to look at proposed improvements for the Dolores Huerta Gateway Park located at the corner of Bridge and Isleta Boulevards in the South Valley neighborhood of Albuquerque.

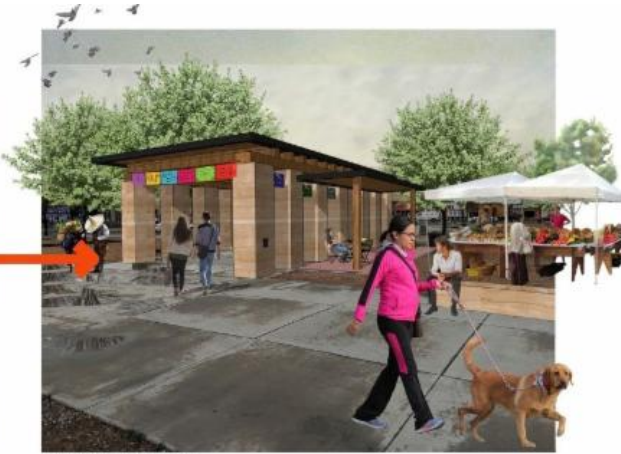
Community members and participants in the Growers' Market have engaged with South Valley Mainstreet to make some targeted improvements to the park, to best serve community needs and uses that have grown around it. Improvements include providing shade for the existing playground areas, creation of a central gathering space for music and events, upgrades to the existing turf, additional trees, lighting, identification of possible locations for restrooms, public art sculpture siting, horno oven workshops, and a potential crossing to shared parking areas across Isleta Blvd.

A community charrette was held in the fall of 2017 to identify major community uses (both current and desired) for the park, and design improvements that could facilitate them. Following the charrette and additional input collected by South Valley Mainstreet, three design options were developed by the NMMS Revitalization Specialists. The options were reviewed at a community meeting in late February, which also included participation from Bernalillo County, who maintains the park. Next steps include refining a consolidated design option and developing recommended phasing with estimated costs, identifying projects that may be built by the community and funds that need to be

sought to further design development and construction.



View towards Isleta bridge - BEFORE



View towards Isleta bridge - AFTER



Finance Development Specialist Receives Designation of Certified Economic Developer

On March 25, our very own Johanna Nelson earned the designation of **Certified Economic Developer (CEcD)** from the International Economic Development Council (IEDC). The CEcD designation is an international certification achieved after passing three rigorous exams and represents the gold standard for excellence in the

profession. According to IEDC, there are about 1,110 CEcDs worldwide.

Johanna has seven years' experience in economic development. She manages the FUNDIT program and the Rural Efficient Business Program. She also co-developed and co-manages the NMEDD Credit Enhancement Program.

"I am very thankful to have had the opportunity to take (and pass) this exam" said Johanna. "This experience has allowed me to hone my skills and expand my knowledge within the field so that I can be more effective in my position serving the state and its citizens. The solutions to economic development problems cannot be answered by a simple formula; there are always changing and moving variables so it's necessary to study, research and constantly be learning new things. The IEDC opens up a national/international network of experts with whom I can connect to gain insight into best practices from around the world to bring back to New Mexico. New Mexico has such incredible potential and opportunity to improve its economy; I want to help be a part of ensuring it moves forward in a positive, sustainable way to help its citizens thrive and prosper."

Congratulations, Johanna! Thank you for sharing your talent with EDD!

Job Creators Day Stories

Each speaker at Job Creators Day told inspiring stories of overcoming barriers to find success in New Mexico. Watch some of these stories [on our website](#) - they are perfect examples of how EDD's economic toolbox helps small businesses & entrepreneurs succeed while creating good jobs for New Mexicans.

Upcoming Events

JTIP Board Meeting

Friday, April 13, 2018

9 AM - Noon

Joseph M. Montoya Building

Bid Room (Lobby)

1100 S. St. Francis Drive

Santa Fe

To inquire, and for additional information, including a meeting agenda, please contact Sara Gutierrez at 505.827.0249.

New Mexico Economic Development Department | 505-827-0300 |
edd.info@state.nm.us | goNM.biz

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