



New Mexico Economic Development Department
4th Quarter Performance Report



NMEDD 4th Quarter Performance Report

Mission: Enhance and leverage a competitive environment to create jobs, develop the tax base and provide incentives for business development.

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OFFICE OF THE SECRETARY

On the last day of the fiscal year Governor Susana Martinez and Secretary Barela gathered in Rio Rancho to announce the expansion of **Safelite AutoGlass** into New Mexico, creating 900 new jobs. Safelite is the world's largest vehicle glass repair and replacement company with 13,000 employees nationwide.

The state will invest **\$3 million in LEDA** funding and the company will take advantage of the new **Rapid Workforce Development Fund** which was created as a priority of Governor Martinez in the 2016 legislative session. Safelite will use the Workforce Fund to teach its employees Spanish speaking skills.

This announcement represents the single largest project, in terms of job creation, since 2009.

Other announcements during the 4th quarter included –

- **Mako Medical Laboratories**, 100 jobs in Albuquerque
- **Wildflower International** expanding in Santa Fe, 81 jobs
- **Pecan Brewery** in Las Cruces, 40 jobs
- **Federal Express** logistics center in Santa Teresa, 200 jobs
- **PCM Sales**, a California information technology company, 224 jobs in Rio Rancho
- **W Silver Rail Spur**, 4 jobs in Santa Teresa

In 2015 the Film Office set a new record, reporting \$288 million in direct spending by production companies during the year. In FY16 Film shattered that record by nearly \$1 million, with \$387 million in total direct spending. This represents 63 productions and nearly 260,000 worker days. Thirty of these productions spent more than \$1 million.

Because of the duration of filming, television productions typically generate the most revenue. TV series and pilots filmed in New Mexico during FY16 included *Better Call Saul*; *Preacher*; *From Dusk Till Dawn*; *The Night Shift*; *Midnight, Texas*; *Longmire*; *Manhattan*; *Untitled Mars Project*; and *Graves*.

Feature film productions shot during the year included *GOLD*; *2 Years and 8 Days*; *"t@gged;"* *The Space Between Us*; *EDGE*; *The Magnificent Seven*; and *Granite Mountain*.

Office of Business Advocacy (OBA)

OBA opened and closed four cases during the 4th quarter. Cases were resolved for these companies:

- Four Suns Building, Aztec
- Flow Science, Santa Fe
- Mako Medical Laboratories, Albuquerque
- Sammy C's and the Rocket Café, Gallup

During FY16 OBA opened 59 cases and resolved 63.

New Mexico Business Incubation Program

Our seven certified business incubators reported the following for FY16:

Incubator Facility	# Clients Served	Clients Graduated	Total Jobs	Estimated Revenue Generated by Clients
Arrowhead Technology Incubator at NMSU	25	13	28	\$1,123,043
South Valley Economic Development Center	44	*	115	\$1,469,371
Navajo Technical Innovation Center	8	**	20	\$30,460
San Juan College Enterprise Center	15		31	\$1.3 million
Santa Fe Business Incubator	22		155	\$11,370,532
Taos County Economic Development Center	63	*	115	\$1,721,102
WESST Enterprise Center	11		120	\$11,622,521

*Commercial kitchens do not necessarily graduate their kitchen users. **Navajo Tech opened in October 2015.

Rural Commercial Kitchen Initiative

The second annual Kitchen Summit was held in April at the South Valley Economic Development Center. Fourteen community or kitchen representatives attended the two-day event.

Five kitchens were supported with grants in FY16. Two of the kitchens, the Taos Food Center and South Valley, served as mentors to communities considering a kitchen facility and new rural kitchens just getting started. These two kitchens received \$15,500 each for operating their facilities and training or mentoring others. The new startup kitchens are in Espanola, Ribera and El Morro and they received \$13,000 each. In addition, South Valley is working with Las Cruces, Santa Fe and downtown Albuquerque on potential kitchen projects.

New Mexico Partnership (NMP)

The Partnership finished FY16 with ten projects closed and a total of 1,579 jobs.

Company	Location	# of Jobs
Associated Energy Services	Eunice	5
Rural Sourcing, Inc.	Albuquerque	125
New Mexico Greenhouse Holdings	Las Cruces	82
W Silver Recycling Rail Spur	Santa Teresa	4
Federal Express	Santa Teresa	200
PCM Sales	Rio Rancho	224
Valley Cold Storage	Santa Teresa	14
The Art of Chocolate, LLC	Santa Fe	5
Tom Peter Isaac	Santa Teresa	20
Safelite AutoGlass	Rio Rancho	900

The New Mexico Partnership closed out FY2016 strongly with 6 locates representing 1,363 jobs the 4th quarter. Staff participated in a number of marketing events including sales missions and targeted trade shows. The Fam Tour held in June was very successful. We hosted six site selection consultants from around the country in Santa Fe to join economic developers statewide to learn more about the business advantages New Mexico has to offer. We also continued to bring in new leads and work projects, which should develop over the next fiscal year.

Sales Missions:

- Chicago (NMP staff) - 9 leads
- Chicago (Governor led)
- Boston - 7 leads

Trade Shows/Industry Conferences:

- MRO - 15 leads
- Business Facilities LiveExchange - 14 leads
- Global Petroleum - 31 leads
- AUVSI - 22 leads
- SelectUSA - 20 leads

California High Growth Company Campaign - targeted outreach to 25 companies

Leads: 153

Locates: 6

PROs: 13

Jobs: 1,363

Site Visits: 7

Earned media:

Drone Life - attended AUVSI (unmanned vehicles event) and met with this online publication to promote NM, the website named our state among the top 3 states for drones.

Business Facilities - NM was featured in a story promoting the positive business climate improvements as well as companies and industry sectors within the state.

New Mexico MainStreet (NMMS)

4th Quarter Highlights:

In downtown Artesia, Talen LPE Consultants completed a new roof project on their building (\$17,900), as did the Dunn Funeral Home in Tucumcari's MainStreet district (\$42,000).

Corrales' Casa Vieja is coming back with a major renovation. So far, private reinvestment on that project totals \$230,000.

Six private interior and exterior paint, repair, signage and refurbishment projects in the Lovington MainStreet district this quarter totaled \$37,850.

In FY16 seven communities received assistance through the **Frontier Communities Initiative**:

- **Eagle Nest**, Event development
- **Mountainair**, Place-making and design
- **Santa Clara**, Façade improvement program
- **Santa Rosa**, Adaptive reuse and business planning
- **Springer**, Place-making and revitalization plan
- **Tularosa**, Image and branding development
- **Villanueva**, Entrepreneur development

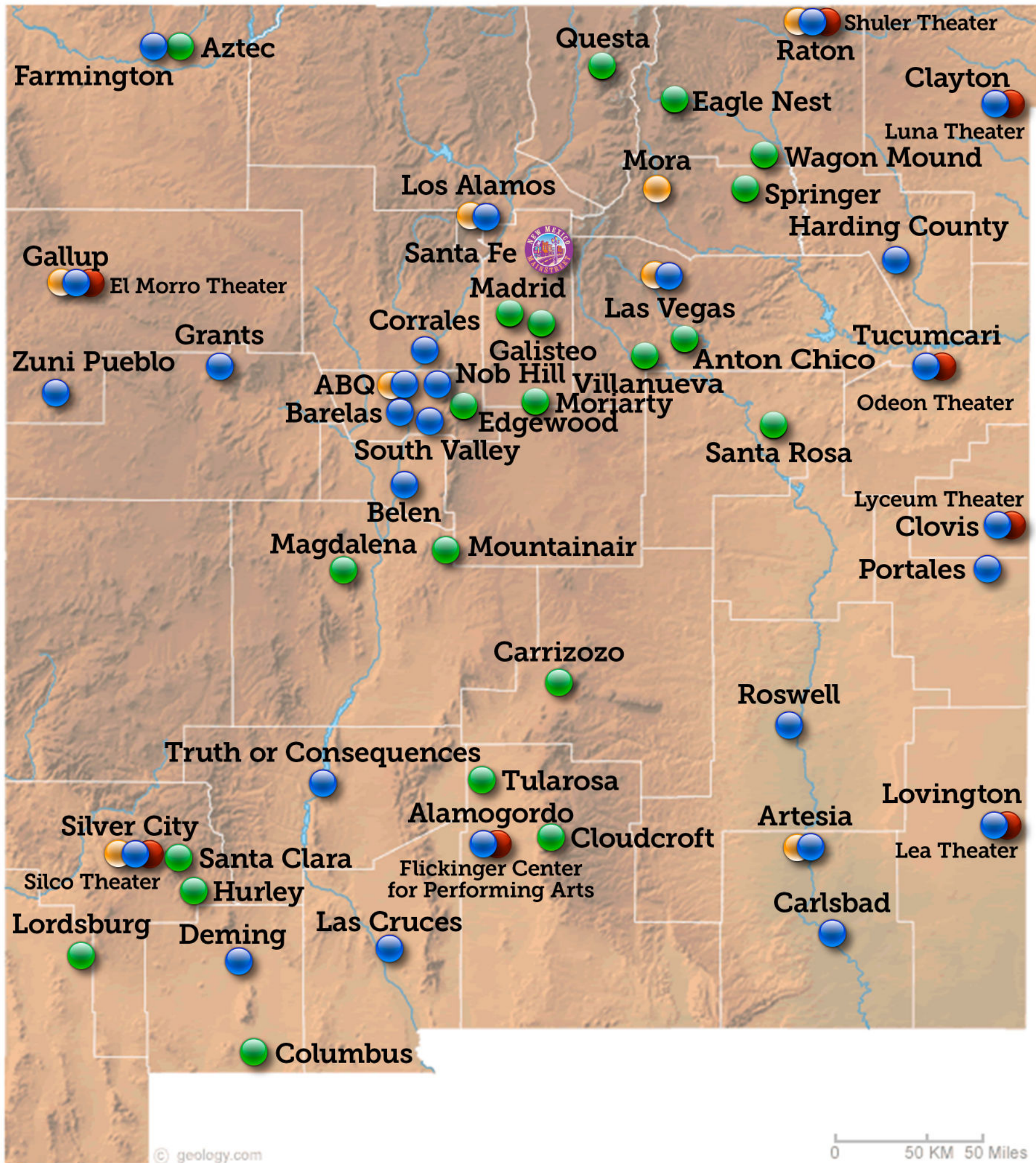
Seven communities shared \$500,000 in capital outlay for economic revitalization projects:

- **Artesia**, Cultural Plan for the Artesia Arts & Cultural District
- **Clovis**, Historic Railroad Park
- **Grants**, Rio San Jose Riverwalk Legacy Trail
- **Los Alamos**, Street Improvements on Central Avenue
- **Mora**, Cultural Plan for Mora Arts & Cultural District
- **Truth or Consequences**, Healing Waters Plaza
- **Tucumcari**, Historic Railroad District

Quarter	Net New Businesses	#of Private Building Rehabs	Private Reinvestment	Net New Jobs
1	36	23	\$569,700	216
2	20	40	\$2,046,925	6
3	38	140	\$17,992,016	179
4	48	45	\$1,509,149	151
Totals	142	248	\$22,117,690	552

New Mexico MainStreet Programs, Projects, and Initiatives

(As of July 2016)



- Active NM MainStreet Communities
- State-Authorized Arts & Cultural Districts
- Frontier Community Projects
- Historic Theater Projects

Finance Development Team

Twenty-three LEDA projects closed in FY16, totaling \$15.2 million. This amount was leveraged against total private investment in these projects of \$256.8 million, for a final ratio of 16.8 to 1. Eleven of these projects are in rural communities: Alamogordo, Clovis, Corrales, Jal, Portales, Roswell, Pena Blanca, Santa Teresa (2), Silver City, Socorro, and Tucumcari.

Quarter	# of Projects	# of Jobs	Total LEDA Investment	Total Private Investment	Leveraged Ratio
1	6	391	\$2,225,000	\$41,842,000	18.8
2	7	450	\$6,368,436	\$164,600,920	25.49
3	1	14	\$325,000	\$1,250,000	3.85
4	9	1,571	\$6,290,000	\$49,133,000	7.8
Totals	23	2,426	\$15,208,436	\$256,825,920	16.8

A list of all FY16 LEDA projects can be found on the following page.

The Finance Development Team also provided technical assistance to three companies resulting in new funding for both:

1. **Taos Mesa Brewing:** FDT worked with the company over the previous year to improve and focus its financial position. FDT worked with the private equity firm Luna Capital to secure bridge financing that ultimately resulted in a commercial loan from a Delaware bank.
2. **Gallup Pipeline & Compliance Services, LLC:** FDT staff worked with the New Mexico Finance Authority (NMFA) through the Collateral Support Program to assist the company with a bank participation loan through Pinnacle Bank & NMFA.
3. **Carnivores Meat Processing, Chama:** Owner is a multi-generational butcher, he wants to carry on the tradition and start his own meat processing shop to cater to the hunters of Northern New Mexico. He is purchasing a building compound and equipment to start the business. He has over 15 years' experience in the meat-processing industry.
 - Financing:
SBA 7a Loan from People's Bank Unusual: \$175,000
Building Seller Self-Financing and Owner Investment: \$345,000
Total Project Cost: \$520,000
 - FDT provided assistance to help determine the "bankability" of the project. Made recommendations to owner to improve business strategy and presentation to lender. Worked with owner to find funding and utilize other business resources including business plan development, marketing and book-keeping.

LEDA 1st Quarter FY16 Performance Report									
Company	Location	Use of Funds To-Date	LEDA Investment	Private Investment To-Date	Private Investment Announced	Jobs Created To-Date	# of Jobs Announced	Leverage	Security or Clawback Provisions
Solaro Energy	Socorro	Building	\$250,000	\$1,200,000.00	\$5,000,000	13	25	20	Mortgage Interest
Rural Sourcing Inc.	Albuquerque	Building	\$250,000	\$0.00	\$1,700,000	0	125	7	TBD
Ready Roast	Portales	Building	\$1,500,000	\$6,000,000.00	\$16,500,000	3	200	11	TBD/LOC
OI Gringo Chile Co.	Las Cruces	Building	\$25,000	\$10,000.00	\$130,000	5	10	16	TBD
CIG Logistics	Jal	Rail spur	\$100,000	\$15,000,000.00	\$18,000,000	15	20	150	CD in Escrow
Little Toad Creek Brewery & Distillery	Silver City	Building	\$100,000	\$50,000.00	\$512,000	26	11	4	TBD/UCC
			\$2,225,000	\$22,260,000.00	\$41,842,000	62	391	18.8	
2nd Quarter FY16									
Rich Glo	Roswell	Building	\$75,000	\$0	\$835,000	3	11	11.13	Security Agreement
Skorprios Technologies	Albuquerque	Building	\$5,500,000	\$1,500,000	\$16,650,000	51	300	3.03	Mortgage Security
Flickinger Theater	Alamogordo	Digital	\$113,436	\$460,000	\$460,000	0	2	4.06	TBD
NM Greenhouse Holdings	Las Cruces	Building	\$250,000	\$2,500,000	\$6,000,000	0	82	24	Mortgage Security
Odeon Theater	Tucumcari	Digital	\$50,000	\$0	\$220,920	0	1	4.42	Letter of Credit
Southwest Cheese	Clovis	Building	\$350,000	\$0	\$140,000,000	380	50	400	TBD
W. Silver	Santa Teresa	Rail spur	\$30,000	\$0	\$435,000	8	4	14.5	Letter of Credit
			\$6,368,436	\$4,460,000	\$164,600,920	442	450	25.49	
3rd Quarter FY16									
Santa Fe Spirits	Santa Fe	Construction	\$325,000	\$925,000	\$1,250,000	9	14	3.85	Mortgage Security
4th Quarter FY16									
Valley Cold Storage	Las Cruces	Construction	\$140,000	\$15,710,000	\$15,850,000	2	14	113.21	Letter of Credit
Interfaith Leap	Pena Blanca	Construction	\$150,000	\$58,000	\$208,000	0	6	1.39	Mortgage Security
PCM Sales	Rio Rancho	Lease Payments	\$700,000	\$1,200,000	\$1,900,000	TBD	224	2.71	Surety Bond
Ideum	Corrales	Construction	\$75,000	\$3,000,000	\$3,075,000	38	6	41	Letter of Credit
Wildflower	Santa Fe	Infrastructure	\$75,000	\$225,000	\$300,000	90	81	4	Letter of Credit
Pecan Brewing & Spirits	Las Cruces	Construction	\$200,000	\$1,900,000	\$2,100,000	TBD	40	10.5	Mortgage Security
Border Industrial Association (FedX)	Santa Teresa	Construction, infrastructure	\$1,800,000	\$5,200,000	\$7,000,000	TBD	200	3.89	Mortgage Security & Land
Mako Medical	Albuquerque	Lease Payments	\$150,000	\$8,850,000	\$9,000,000	0	100	60	Letter of Credit
Safelite Autoglass	Rio Rancho	Lease Payments	\$3,000,000	\$6,700,000	\$9,700,000	0	900	3.23	TBD
			\$6,290,000	\$42,843,000	\$49,133,000	130	1,571	7.8	
Total YTD FY16			\$15,208,436	\$70,488,000	\$256,825,920	643	2,426	16.8	

Community, Business & Rural Development Team

There were 14 successful business development projects completed in FY16.

Region 2

- **Plectone** is a manufacturer of guitar picks located in Albuquerque. The company was seeking international exposure and new markets. The Team member explained the services provided by EDD's Office of International Trade. Plectone received new orders from companies in Israel and Mexico in August resulting in increased revenue.
- **Taos Herb Company** manufactures herbal products and was looking for programs to facilitate business growth. The Team member introduced the company to the Job Training Incentive Program and New Mexico tax credits they may be able to take advantage of. This resulted in the company receiving JTIP assistance at the August meeting and the creation of two new jobs.

Region 4

- **Old Wood**, Las Vegas, is a manufacturer of wood flooring. The Team member organized meetings with USDA Rural Development which resulted in the company receiving a \$300,000 Value Added Producers Grant. Old Wood invested in new equipment that will add a product line for the company, resulting in new sales through Walmart.
- **Energy Concepts Corporation**, located in **Sapello**, installs solar systems and was seeking assistance to expand its workforce. The Team member introduced the company to JTIP resulting in funding for three new positions.
- **Denny's Restaurant, Las Vegas**, chose the city for a new location after the regional representative contacted the corporate headquarters. Land has been secured and the new building will be funded by Denny's Corporation.
- **Doss Aviation, Raton**, chose Raton as a result of the regional representative working with the New Mexico National Guard to transfer a vacant armory to the City of Raton which the city used to recruit the company. Doss will train Department of Defense student pilots and plans to hire five new training pilot instructors. This will result in the expansion into international student markets. The regional representative is continuing to work with Doss Aviation on short term student housing to accommodate up to 20 student pilots through local partners including the City of Raton and Grow Raton.
- **Tucumcari Biofuels Corporation** is a start-up which will convert the former ethanol plant into a grain storage and methane gas production facility. The regional representative assisted with getting the investors in touch with the owners of the former ethanol plant to identify potential grain storage users. Funding has been secured through a \$70,000 purchase agreement with Los Alamos Bank. A Phase One environmental assessment has been completed. Arrowhead Center completed a feasibility study and owns 2 percent of the company.
- **Medicus Billing and Consulting, Inc., Las Vegas**, expanded to the city to increase New Mexico medical billing of physician practices. They will hire up to 15 employees at an average hourly wage of \$14.00. The company has purchased a building and anticipates utilizing JTIP.
- **Mora Woodworking** was assisted in developing a business plan and received direction for a patent and prototype design. As a result of this assistance the company has been able to secure \$93,500 in funding including a \$30,000 Venture Accelerator Award.

Region 5

- **Ready Roast** purchased the peanut processing plant in **Portales** and needed assistance with permitting, incentives and employee training. The Team member connected the company to OBA and all issues regarding an air quality permit were satisfactorily resolved. He also introduced the company to JTIP and they were approved for 30 new positions in September. Governor Martinez announced a LEDA commitment of \$1.5 million on September 21st.
- **RichGlo, Roswell**, is a jewelry cleaner manufacturer that has been in business for 20 years and has acquired property for a new manufacturing facility. The regional representative assisted the company in developing the plant layout, pro forma and business plan for a successful LEDA application.

Region 6

- **Samson Equipment** is an equipment manufacturer in the City of Las Cruces. The city has a Wage Plus program that augments JTIP funding and the Team member assisted City staff in developing a process for making payment to a business and helped the company by collecting the JTIP documentation they needed to submit an application. Once the application was submitted the rep worked with the City's economic development office to complete the process. Samson Equipment was awarded \$1,500.00 to offset costs associated with creation of the new Plant Manager position.
- **Silicon Mesa**, a software development company, has been operating from the Arrowhead Center at NMSU for over a year but was not aware of the Rural Software Development GRT deduction. The regional representative provided the company with information about the deduction and how to claim it. When the company's accountant submitted CRS information to the Taxation and Revenue Department (TRD) they received inadequate and incorrect information. The rep spoke with the TRD auditor and audit supervisor on behalf of the company to resolve TRD concerns and get more complete information for the company. Silicon Mesa was able to deduct revenue from software development from their taxes for prior periods and moving forward which will help the startup company to be more profitable and competitive.
- **Valley Cold Storage** is a produce storage and distribution facility in Santa Teresa. The company is expanding by constructing a second facility in Dona Ana County. They were awarded LEDA based on job creation but also needed an Industrial Revenue Bond as part of their financing plan. County was unable to induce the IRB but I was able to work with the leadership in City of Anthony which agreed to assist with the project. Team member provided City staff and elected officials with information about IRBs and assisted the City and the businesses through the process including explaining the incentive and benefits at each public hearing and working with City staff to set up accounting process. Valley Cold Storage has been approved for tax incentives for up to \$40,000,000 in investment through the IRB.

Seven economic development projects were completed in FY16:

Sandoval County Innovation Center was funded in part by a \$15,000 NMEDD LEADS grant. The Center is now fully operational with 8 interns actively engaged in entrepreneurial projects. The Center encourages high school and college-aged students to participate in entrepreneurial activities such as designing web pages, creating phone apps and computer programs that can be utilized by local business and other businesses worldwide. The concept has been embraced by Intel who has provided free space to house the center. The regional representative helped with the initial application and has been involved in the

planning throughout the various stages of the project. The Center has already created a web design business, has successfully created apps which are being utilized by local businesses and are working on more. **Outcome: New business, revenue and jobs**

Guadalupe County purchased the Pecos Theatre in January 2016 for \$55,000. The regional representative assisted the business owner and Guadalupe County in facilitating the first site visit as well as participated and facilitated further discussions that ultimately led to this new theatre investment. The theater and a new barber shop are creating an entrepreneurial anchor in the heart of downtown. The regional representative also drafted and presented the proposed LEDA **Outcome: New capital investment**

Anton Chico Land Grant Economic Development Incubator Mainstreet Frontier Project was selected and has received \$75,000 in grants and services. The Regional Representative assisted the board in registering the corporation. In addition he assisted with the management strategy with the Land Grant Board, which is the landlord. The Singleton Ranch provided the matching funds, which was the largest match received to-date. The regional representative shared presentations at a town hall event as well as organized a business resource fair for potential commercial kitchen and rental tenants. The incubator is currently advertising to hire a manager and the Incubator intends to be fully operational by next quarter. **Outcome: New jobs, businesses and revenue**

Greater Springer Economic Development Corporation has purchased the Sapp-designed commercial building for \$15,000. The Economic Development Corporation plans to make the property suitable for resale to a commercial business that will serve the drive through traffic from Texas, thus increasing revenue for the village. This project was included in the FY16 Frontier Program and will be rehabilitated to house retail growth. This building was included in the Springer Economic Development Plan that the regional representative collaboratively drafted and assisted the Greater Springer EDC and the Village of Springer adopt through public meetings. **Outcome: New capital investment**

Harding County Assisted Living Facility received funding through the federal Affordable Housing Act to purchase a building for renovation as a result of help from the regional representative. The facility is complete and advertising for a manager has been posted. **Outcome: New capital investment**

El Morro Valley Cooperative & Commercial Kitchen project could not move forward due to issues with Construction Industries and the Secretary of State's Office. The regional representative worked with the Office of Business Advocacy to resolve these issues. The result of these efforts is a \$13,000 grant from NMEDD to support business workshops and trainings, as well as assist in paying for a kitchen manager. **Outcome: New jobs and revenue**

Los Pueblos Kitchen in Ribera also received a kitchen grant of \$13,000 thanks to the work of the Team Member in completing an application and creating a menu of assistance for kitchen businesses. **Outcome: New jobs and revenue**

Job Training Incentive Program (JTIP)

JTIP has had another year of successfully serving both new and existing businesses, including some exciting technology startups. Sixty companies benefited, eight of which are rural, for a total of \$13.4 million obligated. A total of 2,238 workers were trained, with 11 Step-Up trainees and 20 internships funded.

Quarter	# of Trainees	Average Wage	# of Companies	# of Rural Companies	Total Obligations
1	627	\$16.06	22	6	\$2,259,406
2	742	\$18.56	21	3	\$5,111,309
3	364	\$18.39	22	2	\$2,090,709
4	505	\$19.23	23	2	\$4,020,134
FY16 Totals	2,238	\$18.04	60	8	\$13,481,558

The Department of Workforce Solutions does not yet have a full year of data in order to calculate the percentage of trainees still in New Mexico.

Companies Served in FY16		
3D Glass Solutions	Addmi, Inc.	Affordable Solar Installation
Aviata	Canon ITS	Caveman Coffee Co.
Chaves-Grieves Consulting	Comcast	Compass Components
CPFD Software, LLC	CSI Aviation	Cyacom International
Descartes Labs	DroneU	Emerging Technology Ventures
Energy Concepts Corporation	Fidelity Employer Services	Fiore Industries
Flagship Food Group	Framo Morat	Ideum
Improve Group	IntelliCyt Corporation	Jaguar Precision Machine
The Kentah Group	Lavu	Mindshare Studios
MrOwl.com, Inc.	National American University	Neptune Aviation
New Mexico Consortium	NM Food Distributors	Nuvita, LLC
Optomec, Inc.	PCM Sales	Private Label Select
PureColor, Inc.	Ready Roast	Rio Bravo Brewing Co.
RiskSense, Inc.	Rural Sourcing, Inc.	Ryan, LLC
S & P Data	Santa Fe Brewing	Sigma Labs
Sitel Operating Corporation	Skorpis Technologies	Solaro Energy
Taos Herb Company	TriLumina Corporation	UbiQD, LLC
Unity BPO, Inc.	Vibrant Corporation	Vibrantcy, LLC
Vitality Works	Whoo's Donuts	Wildflower International
Wood Design	Y Fab, LLC	Zing Solar, LLC

Available funds as of June 30th were \$1,820,998 (FY17 funds).

New Mexico Film Office (NMFO)

The Film Office continues its focus on three main initiatives: (1) Recruitment: Emerging Media & Production; (2) Workforce Development; and (3) Statewide Outreach.

Recruitment:

The film office's primary purpose is to market the state to the film & television and emerging media industries, service the recruited productions and companies, and promote job and business opportunities for New Mexico residents. This includes consulting with production and emerging media companies regarding the financial aspects of their projects, and guiding them through the incentives such as the Refundable Film Production Tax Credit. The NMFO also provides direction to companies regarding potential locations on which to film, as well as connecting the productions with the crew, vendor services and film liaisons throughout the state. The office also continues to work towards taking the lead in Emerging Media entrepreneurial opportunities in-state.

Performance Results:

FY16	Q1	Q2	Q3	Q4	FY16 TOTAL
Direct Spend into NM Economy	\$142.5 M	\$26.9 M	\$67.7 M	\$150.1 M	\$387.2 M
Total number of New Projects in Principal Photography	20	12	7	24	63
Number of Projects over \$1M (total budget) in Production	7	1	10	12	30
Worker Days (crew size x days employed)	82,764	19,597	48,982	108,964	260,307

Highlights:

- The NMFO currently has six (6) features and six (6) television series in production at the end of Q4 2016: **Films:** *Granite Mountain, Hostiles, An Ideal Home, Juarez, Cowboy Drifter* and *I am That*. **TV series:** *Midnight, Texas* (NBC pilot), *Longmire* Season 5 (Netflix), *Preacher* Season 1 (AMC), *From Dusk Till Dawn* Season 3 (El Rey/Netflix), *The Night Shift* Season 3 (NBC) and *Godless* Season 1 (Netflix).
- The NMFO also anticipates Q1 FY17 to include the continuation of production of three (3) major studio features (over \$100+ M), many potential mid-range independent features (\$1-\$20M per) as well as a NBC mini-series and the return of the critically acclaimed *Better Call Saul* Season 3 this July. Currently NMFO has active communication with over fifteen (15) potential western genre film projects that could shoot until December 2016.
- *Midnight, Texas* was greenlit by NBC for a ten (10) episode series order to begin shooting this fall and *Preacher* Season 2 was greenlit by AMC to begin shooting.
- NMFO is waiting for confirmation of the return of *Night Shift* Season 4 and *Longmire* Season 6.
- Having the extra 5% for TV series has proved to draw TV networks to NM.
- The Film Office announced a strategic partnership with Panda iMedia, one of China's top online media holding companies which specializes in the production of digital content and online promotion for China's top 500 enterprises. A cross cultural training event with over 35 of China's top members took place in June.
- NMFO is currently working on systems updates (websites, forms, workflow streamlining and standardizing protocol) for the refundable film production tax credit processes.

Workforce Development:

The Job Training Incentive Program for Film & Multimedia (JTIP) provides multiple ways for residents to advance in this industry and to keep talent in-state. The program continues to evolve and expand to meet industry needs. The Film Crew Advancement Program (FCAP) is the office's priority program in training as it provides job opportunities with a production where crew diversifies their skill sets increasing continual employment in the industry. As an additional incentive to the film tax credit, productions that hire qualifying, local crew are reimbursed fifty percent of a qualifying resident's wages for up to 1040 hours.

- During the first quarter, eight (8) companies qualified for FCAP with eighty-four (84) resident participants. In addition to JTIP, approximately twenty-five (25) residents participated in on-set lectures, conducted during production as part of a "give-back" program for participation in the Refundable Film Production Tax Credit.
- During the second quarter, two (2) companies qualified for FCAP with fourteen (14) resident participants.
- During the third quarter, six (6) companies qualified for FCAP with fifty-nine (59) resident participants.
- During the fourth quarter, four (4) companies qualified for FCAP with fifty-four (54) resident participants.

Statewide Outreach:

There are a variety of ways the NMFO works with local communities, schools, filmmakers and chambers in order to assist and promote the industry and the jobs it creates. In FY16, the film office welcomed a new member to their team as the Outreach Coordinator to spearhead these efforts.

Highlights:

- In the first quarter, the NMFO hosted a screening of *The Scorch Trials*, presented by Fox Studios, which had over 200 attendees; and, the 2015 NM Filmmakers Showcase submissions were screened at the Dark Frame Film Festival in Albuquerque. Additionally, the Outreach Coordinator continued to elevate the NMFO's social and informational outreach efforts by managing the NMFO's website, Facebook, Twitter, LinkedIn, Constant Contact and bi-monthly newsletter. Continuing the trend of communicating the NMFO's mission, Outreach continues to host *New Mexico Film Works*, a live weekly one-hour radio talk show where industry professionals share their wisdom and experiences in the film industry both in New Mexico and around the globe.
- In the second quarter, the NMFO's annual NM Film & Media Industry Conference took place at the Isleta Casino & Resort, providing a variety of compelling topics with an extraordinary array of forty in and out-of-state guest speakers and panelist, and over 400 registrants, a 26% increase as compared to 2014. In December, the NMFO also participated in the ESPN's NM Bowl at UNM which included the debut screening of the New Mexico Sizzle Reel, a high energy promo highlighting productions shot in NM. The NMFO also had a celebrity guest appearance from Elise Eberle, New Mexico actor and star of the hit show *Salem*. The NM Bowl audience exceeded 50,000 attendees. This quarter also saw the revival of the NMFO Internship program. The on-going program is designed to allow freshman filmmakers the opportunity to have exposure to the inner workings of the NMFO as well as giving them exposure to the 25-30% film tax incentive program. Since the re-introduction of the program, ten students have successfully cycled through the internship program.
- In the third quarter, the NMFO held a Las Cruces town hall with over 80 participants discussing the state of the film industry and opportunities available to New Mexico residents in the film and television industry. Additionally Outreach began working with the State-wide Film Liaison Network to update their

city endorsements. This network of over 40 liaisons is often the first point of contact for incoming film productions.

- In the fourth quarter, the NMFO hosted the annual Film and Media Educational Summit at CNM in Albuquerque. Cabinet Secretary of New Mexico Higher Education Dr. Barbara Damron gave a high energy and informational keynote address where she highlighted Governor Martinez's vision of creating a more cohesive higher education system. The event was hosted to over 70 educators, industry professionals and students. From this event, the NMFO created a one-minute promotional video, highlighting the panels. Additionally, the NMFO hosted private cast and crew screenings of *Batman vs. Superman* and *Independence Day Resurgence* with over 200 attendees at each screening. The State Outreach Coordinator, traveled to Alamogordo, NM to act as Keynote Speaker for the *Desert Lights Film Festival*. The festival celebrates the achievements of young filmmakers and boasted an attendance of over 400 students.

Emerging Media and Technologies

- Worked with local NM Company to develop a NM State Film Office (NMFO) App. The App will allow users to stream video and provide information about NMFO.
- Updated definitions and language specific to Digital Media for the New Mexico Economic Development Department and Film Division.
- Moderated an emerging media panel during the annual NMFO Education Summit.
- Facilitated cross-cultural strategic partnership and training event with Beijing-based Panda iMedia. The NMFO and Panda iMedia are working on showcase events in October 2016 and March 2017.
- Met with 3 Latin American tech companies who will potentially move to New Mexico: Technalia of Spain, EPM of Colombia and Ruta-N of Medellin. Also made alignments with key tech partners in the State of Antioquia who wish to do business in and/or with New Mexico. This venture looks to create approximately 40 jobs and \$40M-\$60M revenue by year end 2017.

NEW MEXICO ECONOMIC DEVELOPMENT DEPARTMENT FY16 COMPANIES ASSISTED IN CREATING NEW JOBS

NAME OF COMPANY	TYPE OF COMPANY	LOCATION	DATE ANNOUNCED	PROGRAMS ASSISTING	RELOCATIONS		EXPANSIONS		STARTUPS		TOTAL NEW JOBS		TOTAL JOBS		
					URBAN	RURAL	URBAN	RURAL	URBAN	RURAL	URBAN	RURAL			
First Quarter: July 1, 2015 - September 30, 2015															
Mindshare Studios	custom software and website development	Santa Fe	7/10/2015	JTIP				1				1		1	
Ryan, LLC	global tax services	Santa Fe	7/10/2015	JTIP				2				2		2	
Rio Bravo Brewing Company	micro-brewery	Albuquerque	7/10/2015	JTIP				2				2		2	
Nuvita, LLC	custom software development	Albuquerque	7/10/2015	JTIP				5				5		5	
Solaro Energy	manufacture solar-powered products	Socorro	7/13/2015	LEDA							25		25	25	
Sitel	customer service center	Las Cruces	7/31/2015	JTIP						100		100		100	
Associated Energy Services	energy transload facility	Eunice	7/31/2015	NMP		5						5		5	
CPFD Software, LLC	custom engineering software	Albuquerque	8/14/2015	JTIP				5				5		5	
Descartes Labs	artificial intelligence technology	Los Alamos	8/14/2015	JTIP					1			1		1	
Lavu Inc.	custom point of sale software	Albuquerque	8/14/2015	JTIP				10				10		10	
Vitality Works, Inc.	medicinal supplements	Albuquerque	8/14/2015	JTIP				8				8		8	
Compass Components	manufacture custom wire harnesses	Deming	8/14/2015	JTIP								20		20	
Neptune Aviation Services	aircraft services	Alamogordo	8/14/2015	JTIP				3				3		3	
Taos Herb Company	herbal remedies and supplements	Taos	8/14/2015	JTIP							2		2	2	
Energy Concepts Corporation LLC	solar system design	Sapello	8/14/2015	JTIP				3				3		3	
CyraCom	back office - translation services	Las Cruces	8/26/2015	JTIP				100				100		100	
3D Glass Solutions	manufacturing	Albuquerque	9/11/2015	JTIP				3				3		3	
Affordable Solar Installations	renewable energy	Albuquerque	9/11/2015	JTIP				20				20		20	
Chaves Grieves Consulting Eng.	engineering services	Albuquerque	9/11/2015	JTIP				7				7		7	
Ready Roast Nut Company	peanut processing/product manufacturing	Portales	9/21/2015	LEDA		200						200		200	
Ol Gringo Chile Company	food processing	Las Cruces	9/25/2015	LEDA				10				10		10	
CIG Logistics	energy transload facility	Jal		LEDA		20						20		20	
Little Toad Creek Brewery & Distillery	micro-brewery	Silver City	10/9/2015	LEDA							11		11	11	
Rural Sourcing	software development	Albuquerque	9/28/2015	NMP/LEDA	125							125		125	
TOTALS FOR 1ST QUARTER							125	225	273	64	1	0	399	289	688
Second Quarter: October 1, 2015 - December 31, 2015															
Precision Ocular Metrology	medical device manufacturing	Santa Fe	10/5/2015	Angel Inv.						10		10		10	
Rich Glo	jewelry cleaning products manufacturing	Roswell		LEDA							11		11	11	
Framo Morat, Inc.	custom injection molding	Albuquerque	10/9/2015	JTIP				1				1		1	
Private Label Select	personal care products manufacturing	Taos	10/9/2015	JTIP							11		11	11	
Vibrant Corporation	testing component manufacturing	Albuquerque	10/9/2015	JTIP				5				5		5	
The Kentah Group, Inc.	information technology services	Albuquerque	10/9/2015	JTIP				51				51		51	
S&P Data	customer service center	Rio Rancho	10/9/2015	JTIP				17				17		17	
New Mexico Greenhouse Holdings	agricultural products	Mesilla Park	10/19/2015	NMP	82							82		82	
Skorpios Technologies, Inc.	photonic integrated circuits manufacturing	Albuquerque	11/9/2015	LEDA				300				300		300	
National American University	distance learning operations center	Albuquerque	11/10/2015	AED/OFS				300				300		300	
Southwest Cheese	food processing	Clovis	11/16/2015	LEDA							50		50	50	
Flickinger Theater	historic theater	Alamogordo		LEDA							2		2	2	
Odeon Theater	historic theater	Tucumcari		LEDA							1		1	1	
W. Silver	recycling facility	Santa Teresa		LEDA							4		4	4	
Y-Fab, LLC	fabrication facility	Albuquerque	11/20/2015	JTIP				7				7		7	
Ideum, Inc.	designs interactive software platforms	Corrales	11/20/2015	JTIP				6				6		6	
New Mexico Consortium	technology development	Los Alamos	11/20/2015	JTIP				2				2		2	
Emerging Technology Ventures, Inc.	unmanned aerial systems manufacturing	Alamogordo	11/20/2015	JTIP					4				4	4	
RiskSense	cyber security	Albuquerque	11/20/2015	JTIP				19				19		19	
TriLumina Corporation	semiconductor laser technology development	Albuquerque	11/20/2015	JTIP				2				2		2	
Comcast	customer service center	Albuquerque	12/8/2015	JTIP				450				450		450	
Canon ITS	customer service center	Albuquerque	12/8/2015	JTIP				11				11		11	
TOTALS FOR 2ND QUARTER							82	0	1,171	83	10	0	1,263	83	1,346
MIDYEAR TOTALS							207	225	1,444	147	11	0	1,662	372	2,034

Third Quarter: January 1 - March 31, 2016																
Lavu, Inc.	custom point of sale software	Albuquerque	1/15/2016	JTIP				20			20	20				
Affordable Solar Installations	solar system installation	Albuquerque	1/15/2016	JTIP				1			1	1				
Sigma Labs, Inc.	3D printing technologies	Santa Fe	1/15/2016	JTIP				1			1	1				
IntelliCyt Corporation	life sciences technologies	Albuquerque	1/15/2016	JTIP				5			5	5				
The Kemtah Group, Inc.	IT infrastructure and support	Albuquerque	1/15/2016	JTIP				8			8	8				
3D Glass Solutions	glass-based components	Albuquerque	2/12/2016	JTIP				4			4	4				
Compass Components	wire harness manufacturing	Deming	2/12/2016	JTIP					18		18	18				
Whoo's Donuts	food processing	Santa Fe	2/12/2016	JTIP				10			10	10				
Drone U	pilot training	Albuquerque	2/12/2016	JTIP				1			1	1				
Caveman Coffee Company	food processing	Albuquerque	2/12/2016	JTIP				2			2	2				
Sigma Labs, Inc.	3D printing technologies	Santa Fe	2/12/2016	JTIP				2			2	2				
Chaves Grieves Consulting Eng.	engineering services	Albuquerque	3/11/2016	JTIP				3			3	3				
CSI Aviation, Inc.	aviation logistics	Albuquerque	3/11/2016	JTIP				14			14	14				
Fiore Industries, Inc.	research & development engineering	Albuquerque	3/11/2016	JTIP				8			8	8				
Improve Group	design and consulting services	Albuquerque	3/11/2016	JTIP				2			2	2				
Wood Design, Inc.	custom cabinetry and millwork	Santa Fe	3/11/2016	JTIP				3			3	3				
IntelliCyt Corporation	life sciences technologies	Albuquerque	3/11/2016	JTIP				2			2	2				
RiskSense	cyber security	Albuquerque	3/11/2016	JTIP				2			2	2				
Private Label Select	personal care products manufacturing	Taos	3/11/2016	JTIP					6		6	6				
Santa Fe Spirits	food processing	Santa Fe	3/15/2016	LEDA				14			14	14				
TOTALS FOR THIRD QUARTER								0	0	102	24	0	0	102	24	126
Year to Date Totals								207	225	1546	171	11	0	1764	396	2160
UbiQD, LLC	manufacture quantum dots	Los Alamos	4/8/2016	JTIP				2			2	2				
TriLumina Corporation	semiconductor laser technology	Albuquerque	4/8/2016	JTIP				1			1	1				
Fiore Industries, Inc.	research & development engineering	Albuquerque	4/8/2016	JTIP				1			1	1				
Sigma Labs, Inc.	3D printing	Santa Fe	4/8/2016	JTIP				1			1	1				
Fidelity Employer Services	financial services	Albuquerque	5/13/2016	JTIP				250			250	250				
Mindshare Studios	custom software and website development	Santa Fe	5/13/2016	JTIP				2			2	2				
Emerging Technology Ventures, Inc.	UAS research & development	Alamogordo	5/13/2016	JTIP				3			3	3				
Vibrant Corporation	non-destructive testing technology	Albuquerque	5/13/2016	JTIP				2			2	2				
Aviata	customer experience management	Albuquerque	5/13/2016	JTIP				7			7	7				
MrOwl.com, Inc.	internet technology development (startup)	Albuquerque	5/13/2016	JTIP				7			7	7				
Solaro Energy	solar products manufacturing	Socorro	5/13/2016	JTIP				6			6	6				
Mako Medical Laboratories	medical lab testing nationwide	Albuquerque	5/23/2016	LEDA	100						100	100				
Wildflower International	informational technology	Santa Fe	5/24/2016	LEDA	81						81	81				
Pecan Brewery	food processing	Las Cruces	6/9/2016	LEDA				40			40	40				
Valley Cold Storage	distribution	Santa Teresa	6/9/2016	NMP/LEDA					14			14				
Federal Express	logistics	Santa Teresa	6/9/2016	OFS/NMP					200			200				
Zing Solar, LLC	solar system design & installation	Albuquerque	6/10/2016	JTIP				12			12	12				
Optomec	3D printing technology & manufacturing	Albuquerque	6/10/2016	JTIP				9			9	9				
RiskSense	cyber security	Albuquerque	6/10/2016	JTIP				14			14	14				
Addmi, Inc.	mobile application development	Albuquerque	6/10/2016	JTIP					5		5	5				
New Mexico Consortium	life sciences research	Los Alamos	6/10/2016	JTIP				1			1	1				
Affordable Solar Installations	renewable energy	Albuquerque	6/10/2016	JTIP				2			2	2				
UnityBPO, Inc.	custom IT infrastructure	Albuquerque	6/10/2016	JTIP					66		66	66				
Carnivores Meat Processing	wild game processing	Chama	6/16/2016	FDT						1	1	1				
PCM Sales	information technology	Rio Rancho	6/13/2016	NMP/LEDA	224						224	224				
The Art of Chocolate, LLC	food processing - artisan chocolate	Santa Fe	Jun-16	NMP	5						5	5				
W Silver Rail Spur	rail spur to move recycled steel	Santa Teresa	Jun-16	NMP					4			4				
Tom Peter Issac	warehouse - wind blades	Santa Teresa	Jun-16	NMP		20					20	20				
Safelite AutoGlass	insurance claims processing center	Rio Rancho	6/30/2016	NMP/LEDA	900						900	900				
TOTALS FOR 4TH QUARTER											1,735	245	1,980			
FINAL FY16 TOTALS											3,499	641	4,140			

New Mexico Economic Development Department						
Performance Measures and Targets	FY16	1st Quarter Results	2nd Quarter Results	3rd Quarter Results	4th Quarter Results	YTD Results
Division & Measure						
Office of the Secretary						
Total number of jobs created due to economic development department efforts	4,500	688	1,346	126	1,980	4,140
Number of rural jobs created	1,750	289	83	24	245	641
Number of job filled due to economic development department efforts	1,650	X	X	X	X	X
Number of business advocacy cases opened	100	33	21	1	4	59
Number of business advocacy cases solved	65	32	24	3	4	63
Administrative Services Division						
Percentage of previous years' audit findings resolved in one year	100%	Annual				
New Mexico Economic Development Partnership						
Number of jobs created through business relocations and competitive expansions facilitated by the Economic Development Partnership	2,000	130	82	4	1,363	1,579
Total capital investment of recruited companies that supports jobs created by the NM Partnership	\$80M					0
Average annual cost per Economic Development Partnership job announced	\$620	Annual				
Economic Development Division						
Total number of business expansions assisted by the Economic Development Department	65	20	20	20	20	80
MainStreet						
Dollars of private sector investment in MainStreet districts (in millions)	\$10	\$569,700	\$2,046,925	\$17,992,016	\$1,509,049	\$22,117,690
Number of building rehabilitations completed in MainStreet Districts	160	23	40	140	45	248
Finance Development Team						
Number of private sector dollars leveraged by each dollar through the Local Economic Development Act	5 to 1	18.8 to 1	25.49 to 1	3.85 to 1	7.8 to 1	16.8 to 1
Number of jobs created through use of Local Economic Development Act funds	1,500	391	450	14	1571	2,426
Number of businesses provided technical assistance resulting in a funding package and job creation	7	2	0	0	1	3
Community, Business, and Rural Development Team						
Number of business development projects resulting in a positive outcome such as job creation or retention, new investment, business financing, or increased revenue	15	5	2	4	3	14
Number of funded economic development projects resulting in job growth, new investment, or increased revenue	8	0	1	4	2	7
Job Training Incentive Program						
Number of workers trained by the job training incentive program (JTIP)	1,400	627	742	364	505	2,238
Number of businesses participating in JTIP	50	22	20	20	23	60
Average hourly wage of jobs funded by JTIP	\$20	\$16.06	\$18.56	\$18.39	\$19.23	\$18.04
Percent of employees whose wages were subsidized by the JTIP still employed in New Mexico after one year	75%	Annual				
Film Office						
Number of film and media worker days	190,000	82,764	19,597	48,982	108,964	260,307
Number of films and media projects principally made in New Mexico	61	20	12	7	24	63
Direct spending by film industry productions in millions	\$200	\$142.5	\$26.90	\$67.70	\$150.10	\$387.2
Number of major film productions over one million dollars (\$1,000,000) made in New Mexico	19	7	1	10	12	30
Key measures in blue bold face						

