



# 1st Quarter FY2013 Performance Measures Report



# **New Mexico Economic Development Department (NMEDD)**

## **FY2013 Performance Report and Quarterly Update on Strategic Plan Objectives**

### **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 (OFS)**

The Office of the Secretary holds the ultimate responsibility and accountability for the accomplishment of the agency's mission. In this capacity it oversees the implementation of an annual strategic plan and quarterly reporting of performance measures and results.

<b>Performance Measure</b>	<b>FY13 Target</b>	<b>1<sup>st</sup> Quarter Results</b>
Percent of performance measure targets in the General Appropriations Act that were met	85%	Reported Annually
Total number of jobs created due to economic development department efforts	2,500	1,089
Total number of rural jobs created	1,100	248
Total number of urban jobs created	1,400	841

### **Quarterly Highlights**

During Q1 of FY13 New Mexico Economic Development Department assisted in the creation of 1,089 jobs.

During the quarter, Governor Martinez and Secretary Barela announced the relocation of **Air USA's** headquarters from Quincy, Illinois to Albuquerque. The move is expected to create 200 high-paying jobs. Attracting aerospace and defense companies to the state is a focus of the New Mexico Economic Development Department's recruitment efforts.

Governor Martinez and Secretary Barela also announced the creation of more than 130 jobs in the Santa Teresa Borderplex, many of these jobs can be directly attributed to the passing of the Overweight Cargo Zone legislation signed into law by Governor Martinez in 2011. The three new businesses that located to southern New Mexico are: **Bizlink**, **Ironhorse** and **Ferza**. The Overweight Cargo Zone also led to the expansion of an existing Santa Teresa company, **JH Rose Logistics** and also attracted several new businesses to the Santa Teresa area.

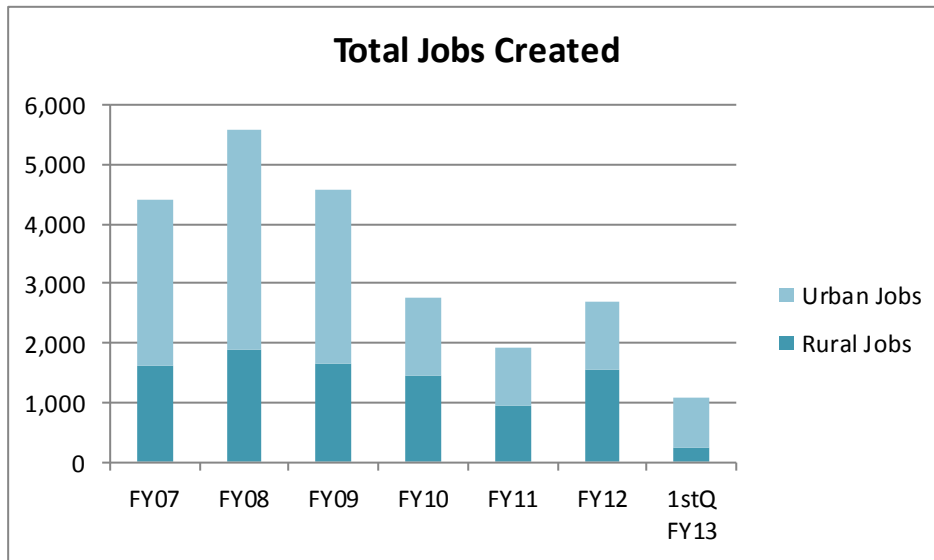
In Las Cruces, **L & M Radiators**, a worldwide manufacturer of industrial radiators for equipment used in the construction, oil, natural gas and mining industries, announced its hiring of 50 new employees. L&M Radiators relocated to Las Cruces from El Paso in 2011 and has since added almost 100 new jobs.

In August, the International Trade Administration announced that New Mexico is the leading state in export growth. Total exports from New Mexico have more than doubled over the past two years, from \$774 million to \$1.5 billion. To further promote international trade, the Office of International Trade was awarded an \$187,802 STEP grant from the Small Business Administration to assist New Mexico companies in exporting.

Through the assistance of the Job Training Incentive Program, when the former Victoria's Secret call center was acquired by **Alliance Data** the company was able to offer positions to the 350 employees of the former call center. In addition to **Alliance Data**, the Job Training Incentive Program awarded a total of 18 companies \$2,389,255 in funding during Q1 to hire and train 450 new workers.

As part of the department's rural development initiative, the NMEDD Community, Business, and Rural Development Team approved 23 applications for the Certified Community Initiative awarding \$179,000 to communities for economic development efforts throughout the state.

And as a New Mexico Centennial project, the National Trust for Historic Preservation dedicated the **Zuni Pueblo** as the first Native American MainStreet community in the nation.



### **RECRUITING NEW INDUSTRY: New Mexico Economic Development Corporation (Partnership or NMP)**

The Economic Development Corporation, or Partnership, is a statutorily-created 501(c)3 non-profit organization created by the New Mexico Legislature in 2003. The Partnership contracts annually with the Economic Development Department to undertake a sales and marketing program to bring new business to New Mexico from other states and countries. The Partnership is directed by a board consisting of two representatives from seven regions of the state, and the Cabinet Secretary of the Economic Development Department.

#### **Goal:**

Partner with the department and local community economic development organizations to locate new businesses to New Mexico.

#### **Objectives:**

- Develop and implement a sales program, based on sustainable target industries, to generate leads and potential projects for the state
- Utilize quarterly meetings between the Office of the Secretary and partner communities to gather input to create and revise the sales program accordingly

#### **Update:**

The Partnership is finalizing an approach to more efficiently and regularly provide updates to community and regional EDC's and NMEDD on the status of prospects for which proposals have been submitted. A quarterly NMP newsletter was sent to approximately 400 stakeholders.

The September NMP Board of Directors meeting was held in Gallup as part of an initiative to hold quarterly “face to face” meetings within each quadrant of New Mexico. The meeting was held in conjunction with the meeting of the Legislature’s Interim Economic and Rural Development Committee.

**Objective:**

- Partner with EDD programs and community organizations to successfully locate new companies to New Mexico

**Update:**

The Partnership recruited two new companies to Santa Teresa: Ferza, 30 jobs; and Bizlink Technologies, 70 jobs. Ferza is a transloading firm that will be moving fructose, plastics and other materials for clients using the Santa Teresa Intermodal Park. Bizlink Technologies is a global manufacturer of cable assemblies and wiring harnesses for motor vehicles, IT products, industrial equipment and general electronics products. The company will build an 80,000 square foot production facility in the Santa Teresa Industrial Park. Bizlink is headquartered in Taipei, Taiwan.

**Objective:**

- Optimize limited resources by organizing sales missions near trade shows and clusters of target industries

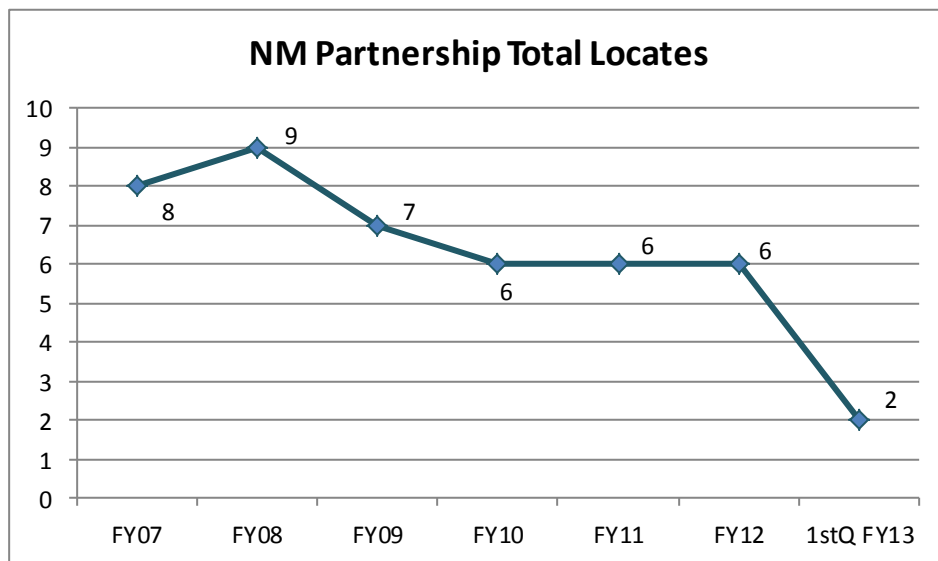
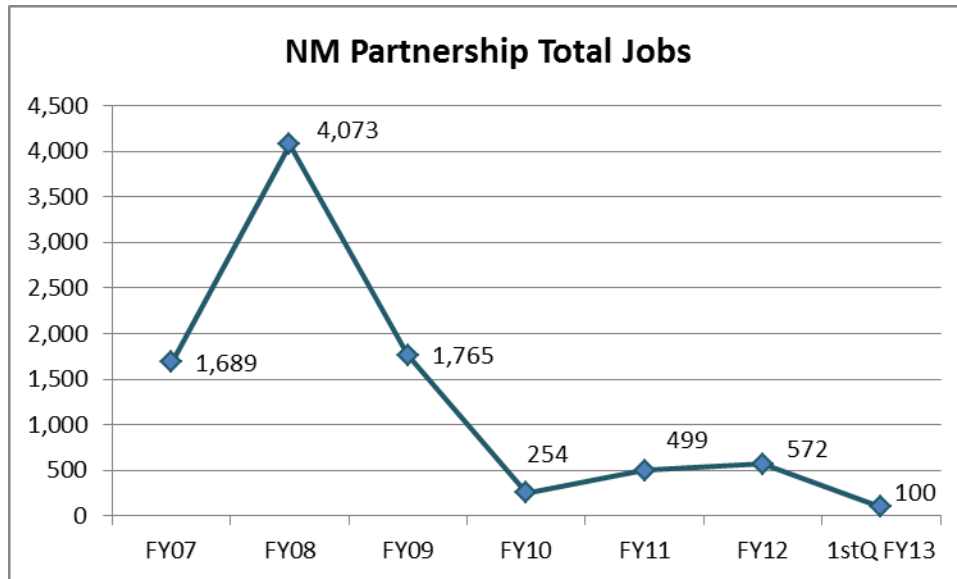
**Update:**

NMP participated in the following four trade shows and industry conferences during the quarter:

- International Manufacturing Technology Show (IMTS)/Chicago
- Association of Unmanned Vehicle Systems International (AUVSI)/Las Vegas
- Pure Energy Expo and Conference/Clovis
- Intersolar North America/San Francisco

Successful sales missions were taken to the following regions with the number of meetings with corporations and site consulting firms: nine in northern California and six in Denver.

Performance Measure	Target	1st Quarter Results
Number of jobs created through business relocations facilitated by the Economic Development Partnership	2,200	100
Number of business relocations facilitated by the Economic Development Partnership	12	2
Number of leads created through the EDP	405	104
Average annual cost per job created by the Partnership	\$500	Calculated annually



## **BUSINESS EXPANSION AND START-UPS: Economic Development Division**

The mission of the Economic Development Division is to assist local communities and businesses in retaining and creating better jobs, thriving communities and an exemplary quality of life for all New Mexicans.

### **Business Retention – Project Sandia**

The Division is working with a large employer considering a move out of New Mexico. The company has tax policy concerns.

The Division also actively collaborates with the Partnership on relocation projects:

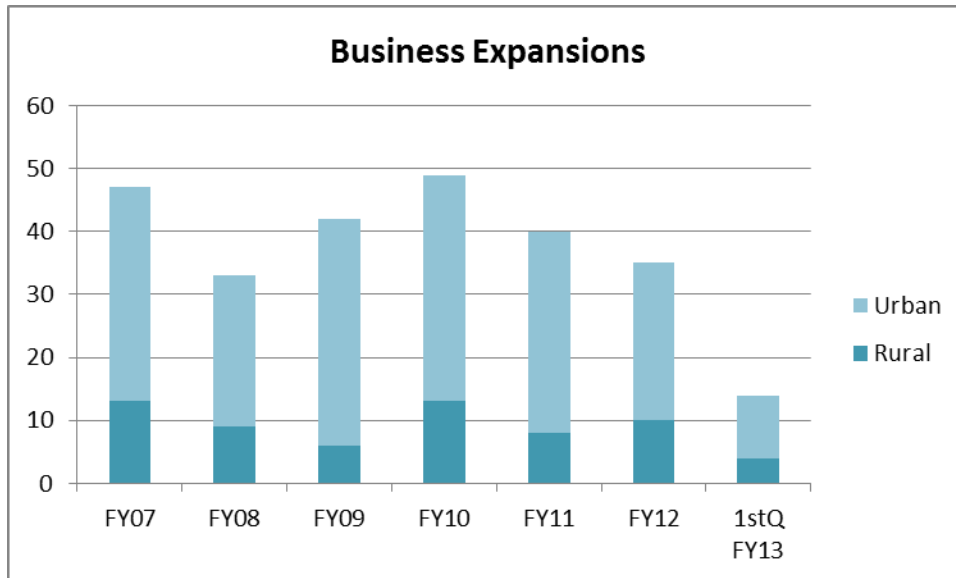
- *Project Crown*  
A conference call was conducted with project representatives. Four communities are actively seeking this company: Las Cruces, Albuquerque, Santa Fe and Rio Rancho. Project Crown would create 600-800 new jobs.
- *Tasman Industries*  
This company, now located in Louisville, Kentucky, is considering New Mexico. A conference call with Tasman provided information on this state's opportunities and answer questions. Tasman is a large, family-owned leather and hide processor.
- *Project Neptune*  
The Division is actively assisting one community with the relocation of Project Neptune.
- *Burlington Northern Santa Fe Railroad*  
Division staff met with the company regarding an expansion of their facilities in Belen.
- *New Generation Biomass, LLC*  
Division staff traveled to Alamogordo to meet with this company which is considering establishing a new biofuel production facility in Otero County.

Division Director provided logistics assistance to IDEA and attended the Annual Conference, which was held in Ruidoso. Each regional representative gave a presentation on the activities in their respective regions.

The Division Director attended the Annual NAISTD Conference where she made a presentation on the JTIP Program. Site selectors in the audience included: IBM, Marquis Group, Funding Training Partners, Lockheed Martin, and Aliquantus Consulting.

<b>Performance Measure</b>	<b>Target</b>	<b>1<sup>st</sup> Quarter Results</b>
Number of jobs created through business expansions	600	147
Number of business expansions	40	14
Number of urban business expansions	28	10
Number of rural business expansions	12	4





### **New Mexico MainStreet Program (NMMS)**

Utilizing the National Trust Main Street Center's proven revitalization strategies, the Main Street Four Point Approach®, the program is part of an economic development network of more than 37 states and 1,200 communities across the country.

**Goal:** Create jobs in MainStreet districts

**Objective:**

- Create an environment to attract new business and entrepreneurs

**Goal:** Grow new businesses in downtown areas

**Objective:**

- Provide technical assistance on entrepreneur development, economic positioning, business retention & expansion, and recruitment; accessing financing tools, accessing incentives, the MainStreet revolving loan fund; and capital outlay funds

**Update:**

The Murray Hotel in downtown Silver City has re-opened after being vacant since 1986 following a \$5 million rehabilitation. The hotel currently has 47 rooms and employs 17 people. An additional 30 rooms are scheduled to open within the next year.

Ten new businesses joined the MainStreet District in Farmington and generated 39 new jobs. Six new businesses joined the Silver City MainStreet District and generated nine new jobs.

**Goal:** Stimulate private sector reinvestment within MainStreet districts

**Objective:**

- Provide technical assistance for good design practices; implement MainStreet Façade Squads, Project Makeovers and MainStreet Curb Appeals



**Update:**

Clayton MainStreet completed Curb Appeal projects on three MainStreet buildings and one Guerilla Urbanism project on the Luna Theater.

Truth or Consequences hosted a design charette for the Healing Waters Plaza, planned for the site of the demolished Teen Center downtown. Conceptual designs resulting from this community charette have been finalized.

**Goal:** Complete building rehabilitations in MainStreet districts

**Objective:**

- Provide assistance to MainStreet organization's façade renderings, historic preservation treatments, accessing revolving loan fund for building rehabs, access to historic preservation tax credits, and USDA grants

**Update:**

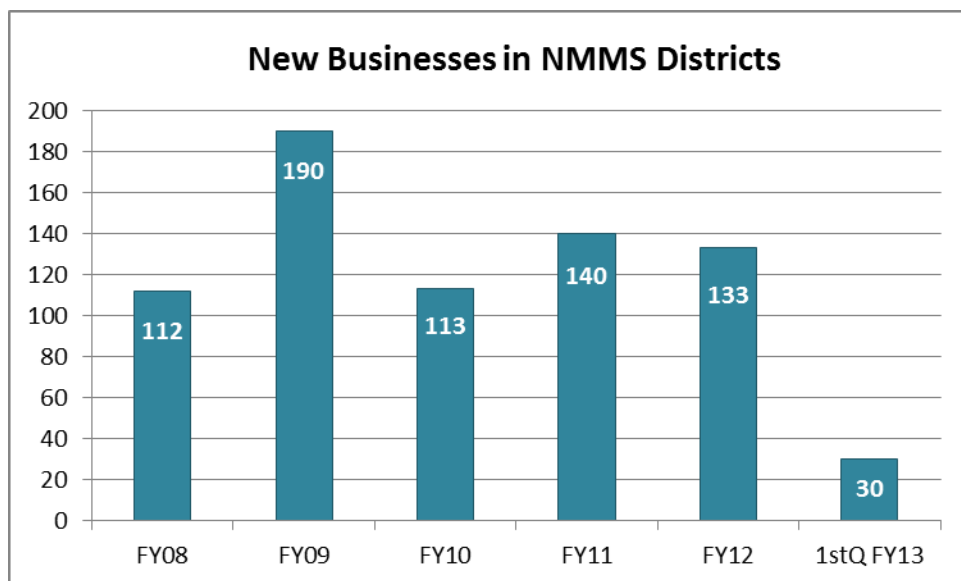
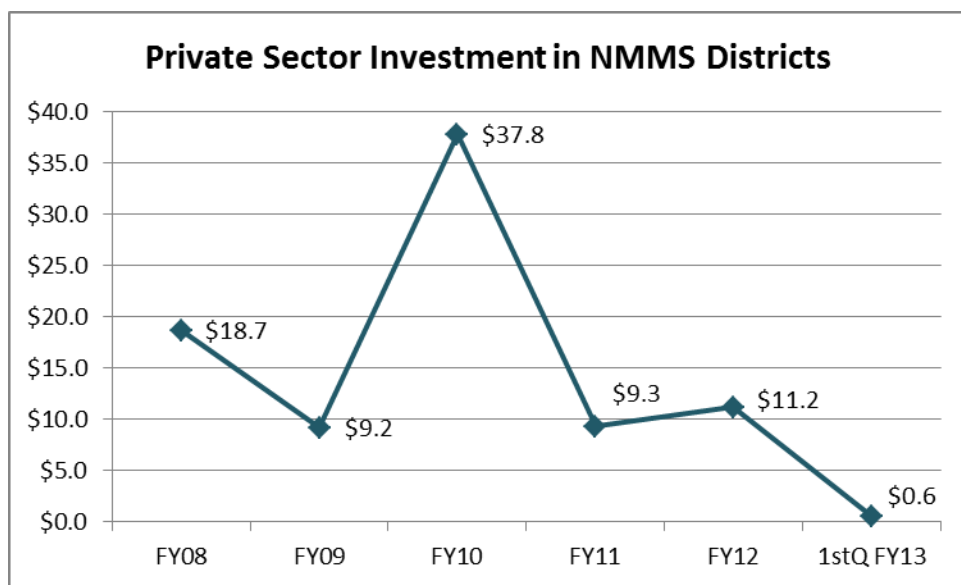
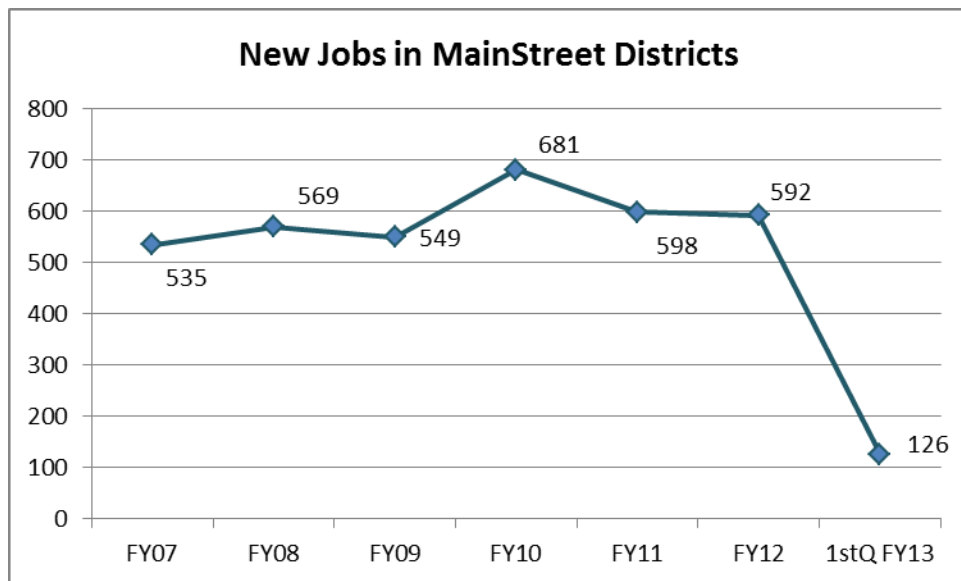
Tre Rosat Café in Silver City completed an expansion that created seven new jobs and included a Façade Squad by New Mexico MainStreet.

The Shepard Block interior remodel, Silver City, utilizing the Design Assistance of NM MainStreet, was completed with a total reinvestment cost of \$30,000.

**Success Stories:**

- Zuni Pueblo joined NM MainStreet as the first Native American MainStreet Program in the 30+ year history of the National Trust Main Street Center of the National Trust for Historic Preservation.
- One million dollars of Capital Outlay funds was awarded to 11 NM MainStreet communities.
- New executive directors were hired in five NM MainStreet communities.
- Grants MainStreet's 2012 Fire and Ice Rally was among the most successful thus far, attracting a greater number of participants and vendors than ever before.
- Carlsbad MainStreet successfully led the community effort to rehabilitate the historic Cavern Theater downtown. The building was purchased at public auction by former state Senator Bob Light who plans to develop a new performing arts center with assistance from NM MainStreet.

Performance Measure	Target	1 <sup>st</sup> Quarter Results
Number of communities participating in MainStreet	25	23
Number of jobs created by MainStreet	600	126
Dollars of private sector investment in MainStreet districts	\$9 million	\$638,308
Number of new businesses in MainStreet districts	140	30
Number of building rehabilitations completed in MainStreet Districts	150	31



**Finance Development Team (FDT)**

The Finance Development Team facilitates the growth of new and existing businesses by acting as a catalyst through the financing tools available within New Mexico.

**Goal:** Assist New Mexico communities in accessing capital outlay funding to create new jobs

**Objectives:**

- Assist the Office of the Secretary and the Community, Business and Rural Development Team in allocating capital outlay funds for Local Economic Development Act (LEDA) projects
- Assist communities to ensure Project Application; Project Ordinance and Project Participation Agreement comply with LEDA
- Assist communities with draw-down of project funds

**Update:**

1. Final capital outlay payment was processed for Santa Fe Studios, located in Santa Fe County.
2. A capital outlay payment was processed for Dona Ana County for the BIA/Santa Teresa project.
3. Reviewed and approved Project INIS scope of work for capital outlay funds; provided Intergovernmental Agreement and PPA template
4. A groundbreaking event was held for Martinez & Sons (Meat) Processing facility in San Miguel County; the project which was approved for capital outlay funding (reflected in performance measure).

**Goal:** Prepare projects for Smart Money and Collateral Support Program (State Small Business Credit Initiative allocation)

**Objectives:**

- Provide outreach and support for the New Mexico Finance Authority's Smart Money and Collateral Support Program (CSP)
- Pursuant to the statewide Local Economic Development Act (LEDA), make economic development determination for Smart Money and Collateral Support Program Projects

**Update:**

1. The Team coordinated, marketed and held Collateral Support Program workshops in five communities (Las Vegas, Raton, Gallup, Grants) with additional workshops planned for Clovis, Roswell, Carlsbad, Hobbs, Las Cruces, and Farmington in the next quarter. Presentation material was created which is geared to lenders and borrowers.
2. FDT made a presentation to the Hispano Chamber of Commerce, the Santa Fe Incubator and at the NM MainStreet quarterly meeting.
3. Two projects (MCS Investments and Haciendas at Grace Village) applied to CSP for approval and were approved by the New Mexico Finance Authority (NMFA).

**Goal:** Assist in the structuring and funding of projects statewide

**Objectives:**

- Provide technical assistance partnerships with the various Councils of Governments (COG's), local economic development agencies and regional organizations, to provide an extension of services not in place with a project or with the local governmental entity
- Bring together financing tools including debt and equity financing, cash incentives and tax credits to support economic development activities that improve and support employment opportunities in New Mexico

**Update:**

1. Project PT: A Santa Rosa business start-up, received assistance from the FDT to complete a business plan and financial analysis. The company expects to open their physical therapy practice in Santa Rosa by January 2013.
2. Project Biofuel: The potential expansion of a biofuel additive chemical firm in Albuquerque - the company is planning a \$10 million expansion in 2013 to Milan, which will establish a 1 million gallon production facility. FDT prepared an incentive analysis.
3. Santa Fe Innovation Park: A micro-grid project at Santa Fe Community College – the project is seeking phase I funding for an eventual proof of concept trial. The project was referred to the regional representative.
4. Intergalactic Bakery: A salsa production facility – the FDT identified funding through LEDA for infrastructure improvements.
5. High Desert Forest Solutions: A wood/biofuels concept – the FDT reviewed the executive summary; the project was also referred to the Las Vegas Small Business Development Center (SBDC) for additional business plan development.
6. Trilumina: A high tech start-up seeks financing, the FDT identified a financing gap, potential financing sources and informed the company of potential tax credits. FDT prepared an incentive analysis and referred the project to Albuquerque Economic Development (AED) for follow up and referred the on-site fuel company to a regional representative.
7. Betatron: An electronics manufacturing company – the FTD provided an overview of tax credits and incentives.
8. Best Paint Company: The company is looking for a revolving line of credit and the FDT is assisting through the Collateral Support Program.
9. Safety Technologies: An explosion mesh product manufacturer, FDT is assisting with the HUD 108 Loan Program.
10. ReiTech : A high tech developer of high speed/high precision motion control systems for defense and commercial applications, FDT is assisting with the HUD 108 Loan Program.
11. ACI: Develops and manufactures the world's most sophisticated immersive virtual reality simulation system for groups of individuals, and is being assisted with the HUD108 Loan Program.

12. Horizon NM: A housing manufacturer of modular product, FDT is assisting with the HUD 108 Loan Program.
13. Neighborhood Specialty Market: A bakery/grocery retailer interested in redevelopment of an old grocery store, was referred to NMFA for feasibility study funds through the Local Government Planning Fund.
14. Air USA: An aviation service/training/repair facility, FDT prepared an incentive analysis. The project was announced during the quarter.
15. Creative Consultants LLC (dba Pluma, LLC): A high-performance computing company seeking financing for expansion anticipated in two years. FDT provided finance program information (CDBG, IRB, NMTC).
16. Steady Leddy: A safety ladder manufacturer in the R& D phase, the company is not structured or organized and was referred to legal counsel .
17. Valencia County Hospital: FDT provided information on NMTC & IRB programs for infrastructure financing. The development is in the design phase.

#### **Angel Investment Tax Credit**

Four technology companies received funding in the first quarter.

<b>Performance Measure</b>	<b>Target</b>	<b>1<sup>st</sup> Quarter Results</b>
Number of capital outlay projects funded	12	1
Number of projects prepared for Smart Money and Collateral Support Program	20	2
Number of businesses provided technical assistance in creating a funding package request and referred to the appropriate funding agency	5	15
Amount of new investment as a result of the Angel Investment Tax Credit	\$10 million	\$264,889

#### **Job Training Incentive Program (JTIP)**

The mission of JTIP is to assist in the development of New Mexico's economy by providing funds to support training for new employment opportunities, as well as provide skill enhancement to residents of New Mexico.

**Goal:** Increase company participation in JTIP

**Objective:**

- Promote JTIP in every region of the state, partnering with local and regional economic development organizations

**Update:**

- JTIP staff attended the Otero County Economic Development Council board meeting on August 30, 2012 and addressed program-related questions from the board.
- Staff made a formal presentation of JTIP and STEP-UP at the Grant County Roundtable on Economic Development, hosted by the Gila Economic Development Alliance on September 21, 2012.

- Spoke with the following companies either via telephone or site visit regarding JTIP and STEP-UP eligibility and program details:
  - MedCo, Albuquerque
  - Martinez and Sons Processing, Las Vegas
  - Westway Feed, Clovis
  - Inject-O-Meter Manufacturing, Clovis
  - Solaro Energy, California-Socorro
  - Sapphire Energy, Las Cruces and Columbus
  - Moss Adams on behalf of NM Wineries, Deming
  - Alliance Data Systems, Rio Rancho
  - P4Q USA, Albuquerque
  - Plenish, Inc., Taos
  - Private Label Select, Ranchos de Taos
  - Marpac, Albuquerque
  - Incitor, Albuquerque
  - ProCast Stone, Los Luceros
  - Interfasys, Albuquerque
  - Insight Lighting, Rio Rancho
  - Wildflower International, Santa Fe
  - PreCheck, Alamogordo
  - Xerox Services, Alamogordo
  - Western Baking Corporation, Alamogordo
  - UniRac, Albuquerque
  - TriLumina, Albuquerque
  - MZA Associates, Albuquerque
  - Custom Steel Works, Silver City
  - Compass Components, Deming
  - Fair Oaks Farm Brands, Dexter
  - Pure Wave, Albuquerque
  - Riley Industrial, Farmington
  - KPMG-Denver
  - Alliance Data Systems, Rio Rancho

Staff updated JTIP and STEP-UP program information for annual publication in the on-line resource tool, Finance NM.

**Objective:**

- Develop an electronic and/or streamlined proposal in order to minimize paperwork experienced by applicants

**Update:**

JTIP staff is currently in discussions with Salesforce.com to complete this objective.

**Goal:** Increase the number of jobs funded through JTIP

**Objectives:**

- Develop a marketing effort to increase the awareness and use of the Step-Up Program in rural communities; targeting small, emerging, high-wage companies whenever possible
- Work with other EDD programs to ensure consistency and accuracy when JTIP is offered to a new or existing business

**Update:**

- Distribute updated program information and collateral material to Community, Business and Rural Development Team for their use when meeting with companies.
  - JTIP staff maintains regular contact with regional representatives when scheduling appointments with companies in their respective regions.
- Staff met with Rio Rancho Economic Development Corporation to update the organization on JTIP policy changes and proposal development and review processes.
- Provided updated program information and collateral materials to the economic development staff at the SWCOG in Silver City, AED, Four Corners Economic Development, Clovis Industrial Development Corporation and the Mesilla Valley Economic Development Alliance.

**Goal:** Sustain the level of quality of the jobs funded by JTIP

**Objectives:**

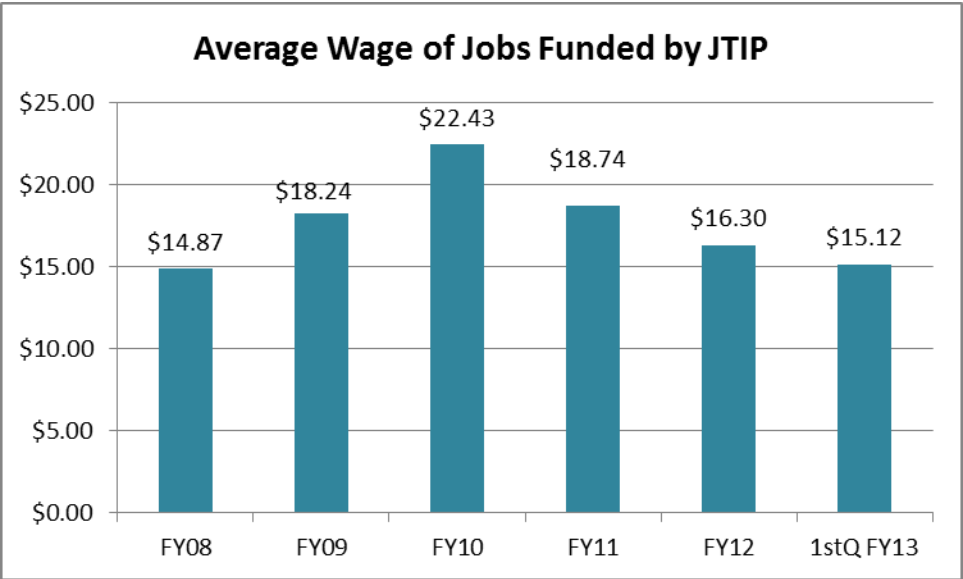
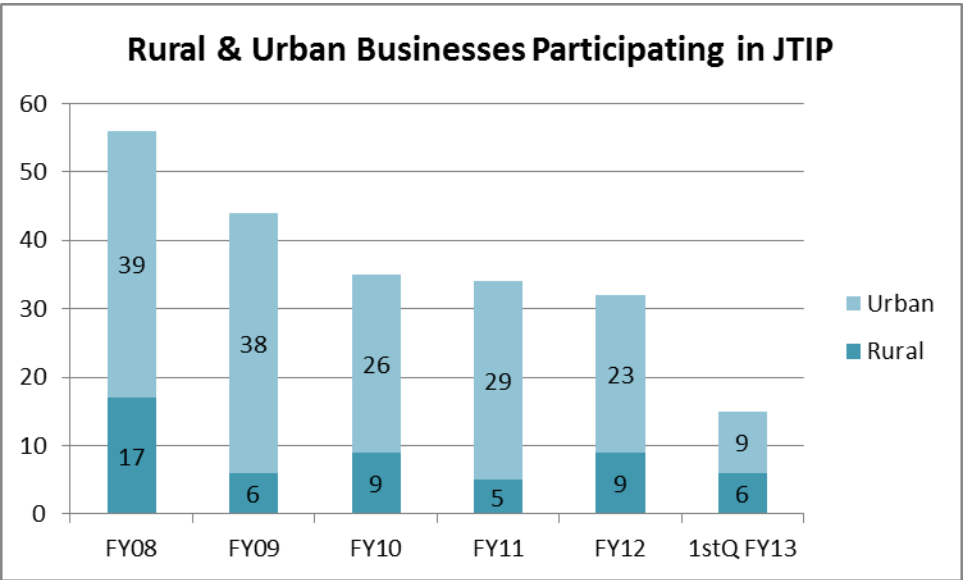
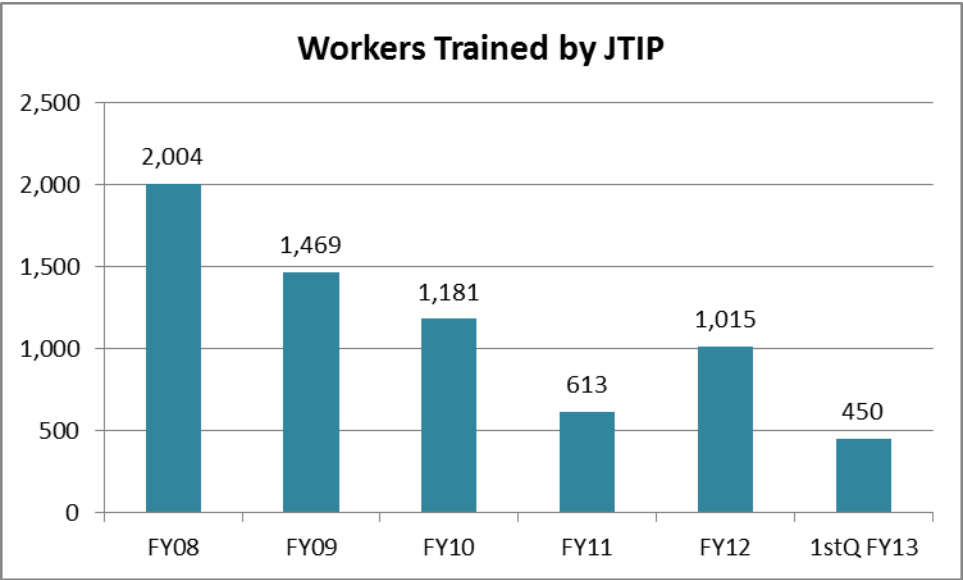
- Encourage JTIP Board and staff to prioritize high-wage jobs
- Identify and contact more technology-intensive companies to create high-wage career opportunities for New Mexicans

**Update:**

- The JTIP board approved 62 high wage jobs in the first quarter of FY13, 11 of which are in rural locations.
- Six companies approved for JTIP funding in the first quarter of FY13 are technology-intensive:
  - JackRabbit Systems
  - IntelliCyt Corporation
  - Incitor, Inc.
  - nanoMR, Inc.
  - ClosedWon, LLC
  - Ideum, Inc.
- Other technology-intensive companies contacted either via telephone or site visit are:
  - Solaro Energy
  - Sapphire Energy
  - Interfasys
  - Wildflower International
  - TriLumina
  - MZA Associates
  - Pure Wave

Performance Measure	Target	1 <sup>st</sup> Quarter Results
Number of workers trained by JTIP	1,000	450
Number of rural companies participating in JTIP	8	5
Number of businesses participating in JTIP	25	15
Average annual cost per JTIP trainee	\$2,500	Calculated annually
Average wage of jobs funded through JTIP	\$16/hr	\$15.12
Percent of employees whose wages were subsidized by JTIP still employed by the company after one year	60%	Annual measure





### **Community, Business and Rural Development Team (CBRDT)**

The mission of the Team, commonly known as “regional representatives,” is to assist communities build their capacity for development by: training local leadership; engaging diverse community stakeholders in the process of planning and implementing change in their regions; and helping them identify strategic opportunities to advance the region’s goals for economic growth.

**Goal:** Build local economic development programs that can be sustained through changes in the economy and political leadership

**Objective:**

- Assist communities in populating community profiles and a land and building inventory on EDD’s web site to encourage more communities to respond to PROs through the Certified Community Initiative process

Completed community profiles and land and building inventories are a requirement for certification. Regional representatives assist in this process. Twenty-three CCI applications were approved for FY13 totaling \$179,000:

**CCI-CAP:**

- Sandoval County
- Santa Fe County
- Village of Los Lunas
- Village of Ruidoso

**Single Community Applicants:**

- |                      |                      |
|----------------------|----------------------|
| • City of Artesia    | • City of Santa Fe   |
| • City of Alamogordo | • City of Lovington  |
| • City of Hobbs      | • City of Rio Rancho |
| • Pueblo of Pojoaque | • Town of Clayton    |
| • Cibola County      |                      |

**Regional Applications:**

- |   |   |
|---|---|
| • Estancia Valley                             | • Las Vegas-San Miguel EDC                  |
| • Roswell-Chaves County                       | • Greater Gallup EDC                        |
| • Southwest New Mexico Council of Governments | • Carlsbad Department of Development        |
| • Deming-Luna County Economic Development     | • EDC of Lea County                         |
| • Regional Development Corporation            | • Clovis Industrial Development Corporation |

**Objective:**

- Assist communities in assessing infrastructure needs (including fiber connectivity) and funding new infrastructure where gaps inhibit economic growth

**Update:**

Three infrastructure projects were identified in the first quarter and applications were submitted to the NMFA economic development planning fund:

- Gallup/McKinley County - \$100,000 for Gamerco and Boardman Industrial Parks.
- Sandoval County
- Santo Domingo Pueblo

**Objective:**

- Create a template for a statewide business retention and expansion survey and work with local organizations to ensure that interviews are conducted in each region of the state and that the information collected is summarized and made available to the Governor's office and the Office of the Secretary

**Region 1:**

Solaro Energy is an out of state expansion from California to New Mexico (Socorro); they have completed a lease with the City of Socorro Business Park, including permitting. The company was assisted with a Bernalillo County Job Fair with great results.

The Navajo Nation has requested funding assistance for a new child care facility at the Red Rock Gaming Enterprise. The regional representative is assisting with the USDA Community Facilities Application and the identification of a grant writer.

**Other Business Visits:**

- BNSF Railroad
- Chevron
- Incitor, Inc.
- K & B Timberworks

**Region 2****Business Visits:**

- Victus Real Estate Development
- Pluma LLC
- Kit Carson Electric Coop
- Bobby Garcia Trucking & Landscape Materials
- Taos Concrete Product Development
- ProCast Stone

**Region 3**

The regional representative met with the general manager of a large company located in Albuquerque which is considering an expansion that will generate \$65 million in additional impact on the local economy and create up to 70 new jobs within three years. A final decision will be made in November. The meeting included a general discussion of incentives and assistance that may be provided by the state and AED.

The Mayor of Estancia and the local economic developer requested assistance with a proposed hotel to house visitors to the federal prison. Prison officials have quantified the number of

people who visit the community on an annual basis and preliminary discussions are underway with several hotel chains.

The Valencia County Commission has voted 3-2 to support a new hospital to be located in Belen. The 80,000 square foot facility will cost up to \$50 million and employ hundreds. Private financing has been identified. Sources of public funding are currently being identified. The Greater Belen Economic Development Corporation has been asked to take the lead role in implementing the recently passed Joint Powers Agreement between the City of Belen and Valencia County.

The regional representative assisted a consultant and two Councils of Governments with the economic development component of comprehensive plans for Guadalupe County and Moriarty. These are complete and have been approved by the local governments.

Adelante Development Center, Inc. is a nonprofit agency in New Mexico working in support of people with disabilities including developmental disabilities. Adelante is pursuing the purchase of the Dixon Apple Orchard to create jobs for primarily disabled veterans. Up to 20 jobs will be created initially. Expansion plans would create a tourism and event destination that would create permanent, year-round jobs.

#### Business Visits

- Knockout Metalwrx
- Magnum Steel Buildings
- Glider Manufacturing

#### **Region 4:**

The Big Timber Feed Store opened in Raton in July 2012. The company seeks working capital to increase inventory. Big Timber is the only feed store in Raton and the inventory offered is very limited. Customer demand indicates additional sales potential with an expanded inventory. Meetings were held in September with the company, including local leaders, and the Commercial Lending Director for the New Mexico Finance Authority. The project is still seeking financing.

A developer has proposed the redevelopment of the Casteneda Hotel and is working with Las Vegas Mainstreet. The total project cost is \$6 million, with new jobs yet to be determined. The regional representative met with the developer on financing programs (NMTC, IRB, LEDA process); and met with Las Vegas Mainstreet Board Members and a potential lender on financing programs and the LEDA process. New Mexico Highlands University (NMHU) may contribute \$1 million to the project. The developer is currently writing a business plan and an outline of the project parameters.

Harding County is receiving assistance on a Youth Ranch project with the Village of Roy. The Ranch will be a boys and girls residential facility for homeless/foster children. The total project cost and potential employment numbers are being assessed as the business plan develops and

the LEDA application is completed. The Village has agreed to donate eight acres for this development.

Frugal Caskets is a San Miguel County LEDA project at the Industrial Park. The County is leasing a building to this manufacturer at a reduced cost, with a requirement of 12 new jobs within five years. The PPA and IGA will be complete and adopted in the second quarter.

### **Region 5**

Meetings were held with the Sandoval County Economic Development Director, state and federal agriculture department staff and other community leaders to secure the necessary funding, advertising, permits, insurance, and support to coordinate the first Pena Blanca Sunflower Festival which took place August 25 and 26. The Festival will be an annual event.

Santa Fe Gold has bolstered its capital reserves through a recent stock offering to investors, raising nearly \$3 million. The company is planning to begin mining in the Cerrillos Hills area of Santa Fe County.

A meeting was held with Shiprock officials and the Partnership concerning a supplier of dental products interested in purchasing a 25,000 square foot building for regional distribution of their products. The company requested state incorporation documents.

The regional representative is working with Haul-Rite Trailers of Bloomfield regarding funding to for employee training.

JackRabbit Systems was contacted regarding their expansion plans. The company has been seeking funding sources from the Regional Development Corporation (RDC) and the City of Santa Fe, and is currently working with the Finance Team to determine incentives available to the business.

Santa Fe Steel was contacted regarding their expansion plans. After discussion with the Finance Team, the owners of the business are meeting with a real estate broker to discuss rate and terms for the property of interest.

Meetings are underway with a company interested in a 30 acre site in Sandoval County to grow algae. The company has potential contracts with several large vitamin manufacturers and is working with LANL on a Cooperative Research and Development Agreement.

### **Region 6**

Excelon Wind completed a 10 MW wind farm in Lea County near Lovington. The project represents a \$20 million investment, creating over 100 construction jobs and two full-time positions.

International Isotopes is a planned development in Lea County near Hobbs. The initial investment is expected to be \$125 million and will create 150 new jobs. The project received final NRC approval in the first quarter of FY13 and construction is expected to commence in 2013.

Joule is a biomass project that converts CO2 to diesel. The initial hiring phase is done and construction of the facility should be completed in early 2013. Phase 1 will employ 20, with growth potential of 500 jobs.

Mosaic is a potash mining company in Carlsbad currently in the process of a \$35 million dollar expansion.

Intrepid is a potash company in Carlsbad beginning the first phase of reopening an old mine with new technologies. The estimated cost of the expansion is \$158 million and should create 50 new jobs.

#### Business Visits

- Tucumcari Cheese
- Dean Baldwin Aircraft
- Aerosale
- Pegasus
- Fair Oaks Farm
- Injecto Meter
- Stewart Industries

#### Region 7

##### Business Visits

- Mescalero Sawmill
- Pegasus
- PreCheck Inc.
- Custom Steel Works

Performance Measure	Target	1 <sup>st</sup> Quarter Results
Number of certified communities	40	23
Percentage of communities with completed community profiles and a land and building inventory populated on EDD's web site	100%	100%

#### Tribal Liaison Program

##### TRIBAL ECONOMIC DEVELOPMENT ADVISORY COUNCIL

The regional representative tasked with focusing on Native American Communities serves on the Tribal Economic Development Advisory Council (TEDAC), whose purpose is to gather input from Tribes on existing programs and how effectively they serve the Tribes, Pueblos and Nations, and to develop new programs or resources, Enterprise Zone Incentives, tax credits and other state incentives (including film production and post-production) that revolve around mutual credits tied to taxable activities such as gross receipts.

**Goal:** Identify and prepare Tribal communities in accessing the Tribal Infrastructure Fund (TIF) to create new jobs with Tribes in or outside the reservation.

##### **Objectives:**

- Assist the Office of Indian Affairs in allocating the Tribal Infrastructure Fund for economic development projects.
- Assist communities with project applications

**Update:**

- The Tribal Liaison attended the Tribal Infrastructure Fund Training workshop and provided a copy of the training manual to the Pueblo of Acoma for Exit 102 Business Park consideration.

**Goal:** Renew the Executive Order establishing the Tribal Economic Development Advisory Council to continue the process for the next two years.

**Objective:**

- Gather input from Tribes on existing programs and how effectively they serve the Tribes, Pueblos and Nations

**Update:**

- NMEDD is making presentations to various Native American economic development organizations regarding participation in the CCI Program.
- The Liaison met with Santa Domingo Pueblo officials to discuss their desire to obtain a planning grant from the NMFA for various tribal business ventures.
- The Liaison drafted a letter of support from Secretary Barela for the Jicarilla Apache Energy Corporation's preliminary natural gas studies.

**Goal:** Conduct a survey in partnership with tribal governments that evaluates what type of businesses that currently invest on Indian lands.

**Objective:**

- Develop a job creation overview of the economy in each diverse tribal community.

**Update:**

- The Zuni Mainstreet project has a new incubator building for arts and crafts donated for local artisans.
- A local Zuni member has been identified to start up a much-needed laundromat in Zuni.
- The Liaison met with the Navajo Nation Economic Development Director regarding the redevelopment of the P&M South Mine inland port and truck warehouse at the North Mine.

**Office of International Trade (OIT)**

OIT applied for and received a \$187,802 federal grant from the Small Business Administration. The grant will be part of a larger initiative that OIT will execute over the next 12 months including many trade shows and missions listed below.

**Goal:** Increase New-to-Export Companies and help existing exporters enter new export markets

**Objective:**

- Conduct trade and investment missions to include the following:



### Trade Shows

- Expo Oil and Gas Colombia
- Cosmoprof Asia Hong Kong Trade Show
- World SME Expo
- ISE Europe, Amsterdam
- Feicon Batimat, Sao Paulo
- LAAD Aerospace and Defense, Latin America
- Expo Seguridad Mexico City
- Laser Photonics World, Munich
- Fancy Food Specialty Food Show, New York

### Trade Missions

- Chile, Columbia and Peru
- Hyderabad, New Delhi and Mumbai
- Shenzhen, Guangzhou
- Israel, Jordan and the U.A.E.
- Mexico
- Singapore, Indonesia and Malaysia

### **Update:**

The Director attended the Aerospace/Aviation Global Supply Chain meeting in Montreal, Canada. Two Albuquerque companies, RIE Technology and Great River Technology, participated in the conference and the Director facilitated matchmaking connections with Canadian aerospace and aviation companies.

### New-to-Export Companies Assisted:

1. Earthstone International: OIT identified a potential distributor in Taipei, Taiwan and discussions are underway for distribution in Taiwan.
2. Basic Dental Implants was assisted in expanding into the Brazilian market.
3. CIC Photonics has identified and appointed a distributor network in South America, including Chile, Argentina and Brazil, with prospects for initial orders of \$50,000.

### Companies Assisted in Identifying New Markets:

1. Intellicyt Corporation was assisted in identifying and appointing a distributor in Saudi Arabia with prospects for installing analytical chemistry equipment potentially totaling \$100,000.
2. Marpac, Inc. was assisted in identifying a distributor in Hong Kong and processed an initial order of \$5,000.

Two sales transactions were assisted during the quarter: Marpac, Inc. and CIC Photonics, Inc.

Performance Measures	Target	1 <sup>st</sup> Quarter Results
New-to-Export (NTE) clients identified and assisted	10	3
Existing exporters assisted in entering new markets	10	2
Number of international trade transactions	30	2
Number of ISO trained businesses	10	0

### **Office of Business Advocacy**

**Goal:** Improve the business climate to facilitate the retention and expansion of New Mexico companies of all sizes.

**Objective:**

- Increase new case load and solved cases throughout the year

**Update:**

- OBA staff continues to meet with NAI Mestas & Ward, Titan Development and Tierra West LLC regarding the access permitting process for traffic breaks along the state highway road system. The discussion includes other key players including; Mid-Region Council of Governments, NMDOT, City of Albuquerque and Bernalillo County planning offices.
- OBA staff met with Desert Paper & Envelope, Alpha Graphics and Print Mac regarding the state procurement contract bid process.
- OBA testified at a hearing in support of copper mine rules in Albuquerque.
- Issues related to RLD permitting delays for law enforcement training and security companies continue to impact three active cases with OBA.
- OBA gave a presentation at a NAIOP committee meeting on October 11<sup>th</sup>. Topics covered in the presentation were the state construction bid process through the Public Schools Finance Authority (PSFA), the General Contractor AISC National Certification required for steel fabricators, state diesel laws that govern/restrict the sales of dyed and clear diesel for non-transportation use and General Contractor's criteria for choosing an insurance bonding on large public construction projects.

### **Cases Successfully Closed During the First Quarter:**

- Silver City Mining Reclamation Project (Southwest Inc Exploration)
- Sawmill Crossing LLC
- Intergalactic Bread
- Eclipse Aerospace
- Terry With A Y Pickup and Delivery Services
- Guiding Star
- Madrid Threads
- Homes By Marie
- Mosaic Design Engineering
- Resort At Fiesta Park

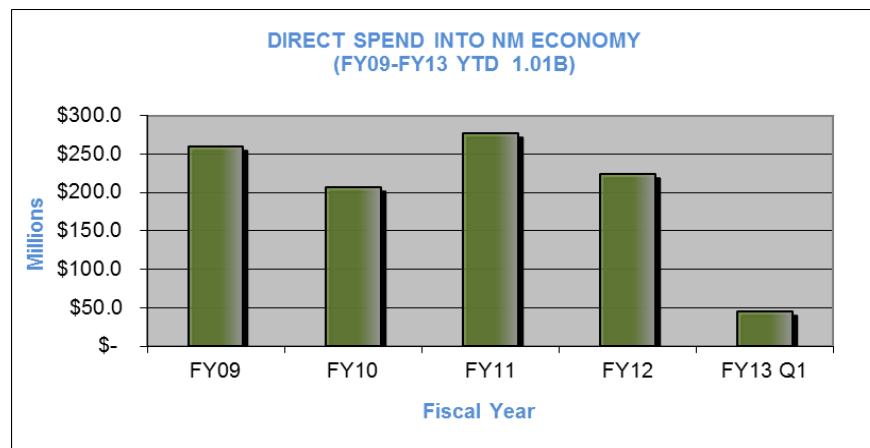
<b>Performance Measure</b>	<b>Target</b>	<b>1<sup>st</sup> Quarter Results</b>
Number of new business advocacy cases opened	100	27
Number of business advocacy cases solved	30	10

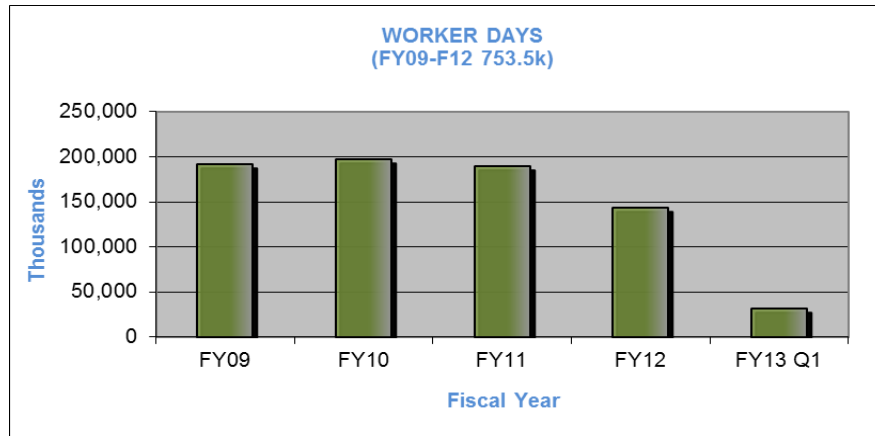
## New Mexico Film Office (NMFO)

The NMFO will continue its focus on the five categories as outlined in the 2013 fiscal year strategic plan and to strengthen the division's mission. For the purposes of clarification, these categories have been consolidated into three main initiatives: Recruitment Initiative, Statewide Outreach Initiatives and Workforce Development.

- 1. Recruitment Initiative:** The primary tool to attract productions and emerging media businesses to our state is the Film Production Refundable Tax Credit. This initiative also includes determining the economic impact and effectiveness of this credit to assist in these recruitment efforts.
- 2. Statewide Outreach Initiatives:** There are a variety of ways to work with local communities, schools, filmmakers and chambers in order to assist and promote the industry and the jobs it creates. Five ways to increase effective outreach are as follows: 1) Town halls, regional meetings and social media assist in educating the public on the industry and the NMFO's mission; 2) Education Initiatives provides an opportunity to learn about film and media programs throughout New Mexico; 3) The Statewide Film Liaison Network trains individuals in the production process and encourages filmmaking in rural areas; 4) Film Tourism gives communities an additional way to market to visitors making a positive economic impact and to benefit from the success of the industry; and 5) The NM Filmmakers Program which creates support and resources for resident filmmakers so that they can pursue their projects and careers in the state;
- 3. Workforce Development:** Programs under the Job Training Incentive Program for Film & Multimedia assist in increasing the skills level of New Mexico residents in the industry and keeping talent in our state.

### 1. Recruitment Initiative:





**Goal:** Attract production, post production and digital media companies to New Mexico for economic growth and job creation.

- **Objective:**

The objective is to continue to meet with studios, major independent production companies and industry-related vendors to review New Mexico's Refundable Film Production Tax Credit Program and other state resources; and, to promote and market incentive and location resources to attract potential projects; and develop strategies to recruit companies specific to emerging media.

**Quarterly Results:** In addition to pre-production meetings at local production offices, NMFO Director and staff met with over 30 producers, location managers and directors over the first quarter. In August, the NMFO facilitated a meeting with the NM Tax & Revenue Department, four major studios and three payroll companies regarding tax obligations as it pertains to the Refundable Film Production Tax Credit.

According to the NM Taxation and Revenue Department website, as of September 30, fiscal year 2013 film production refunds totaled 17 claims for \$3,552,891.

## 2. Statewide Outreach Initiatives

**Goal:** To create and develop new and existing relationships with local entities including state agencies, local governments, colleges/universities, NM film organizations, NM film unions/guilds, soundstages, tribal communities, local film businesses and other industry professionals to disseminate information, prepare communities for production requests, promote film tourism and support local filmmakers.

- **Objective:**

Create outreach programs for the general public, educational entities, local governments; to establish and track the economic benefit of film production through tourism; research avenues to continue filmmakers' events and competitions; promote outreach through website, emails, social media and weekly radio show.

**Quarterly Results:** Determined FY13 Town Hall Locations: Clovis, Carlsbad, Silver City, Taos and Albuquerque; the first NMFO newsletter was emailed in September.

**Education Initiative** - continual support of New Mexico schools and educational programs encouraging the development of film and media careers in New Mexico.

**Quarterly Results:** Organized and facilitated Education Summit at the Hispanic Cultural Center on September 7 – over 50 attendees representing twenty different New Mexico educational institutions.

**Statewide Film Liaison Network** - continue to support and grow network of community designated individuals who assist and prepare their communities for a variety of industry activities.

**Quarterly Results:** Annual meeting was conducted at Los Luceros on July 13, preceded by tour for liaisons at the Santa Fe Studios. The meeting was extremely productive and was attended by 18 different community representatives. We are in the process of organizing additional meetings in conjunction with the town halls to continue and grow film liaison relationships.

**Film Tourism** – develop thematic categories and interactive maps of statewide filming locations for public download, and to determine an economic tracking tool to promote and support film tourism.

**Quarterly Results:** NMFO Created six maps for the Tourism Department’s website in order for the public to download and tour locations in New Mexico where filming occurred. Director continues to work with major studio for a Film Tourism event at the end of the fiscal year.

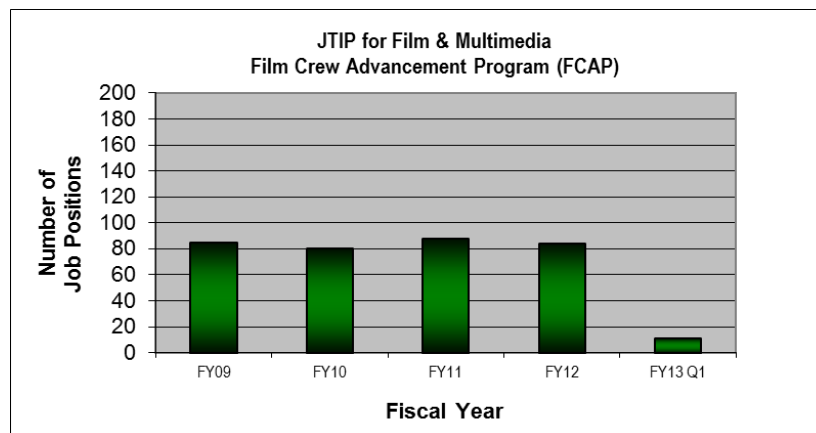
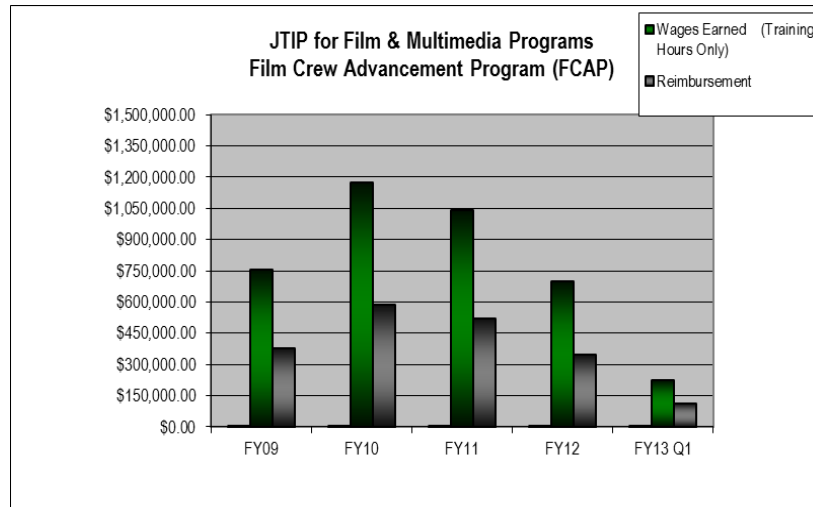
**NM Filmmakers Program** – continue to support the hundreds of local filmmakers through the benefits of contract awards, screenings, workshops and conferences

**Quarterly Results:** Initiated a relationship with New Mexico Community Foundation to explore funding streams to maintain programs that provide additional support and resources for local filmmakers. Local filmmakers submitted 37 entries to be screened at the NM Filmmakers Showcase next quarter. The NMFO is in the process of revitalizing the NMFO Cultural Outreach Events for 3<sup>rd</sup> & 4<sup>th</sup> quarters.

### 3. **Workforce Development:** JTIP for Film & Multimedia Programs:

#### A. Film Crew Advancement Program (FCAP)

Fiscal Year	Number of Participating Companies	# of Job Positions	Wages Earned (Training Hours Only)	Reimbursement
FY09	13	85	\$756,948.38	\$378,474.19
FY10	12	80	\$1,175,433.00	\$587,716.50
FY11	15	88	\$1,038,870.02	\$519,435.01
FY12	11	84	\$696,996.88	\$348,498.44
FY13 Q1	1	11	\$223,992.76	\$111,996.38
<b>Total YTD</b>	<b>66</b>	<b>500</b>	<b>\$5,309,594.34</b>	<b>\$2,654,797.17</b>



**Goal:** The Film Crew Advancement Program (FCAP) is intended to assist the development of New Mexico's economy by providing reimbursement funds to film and multimedia production companies for the training of New Mexico residents working primarily in below-the-line job positions for the preparation of continual employment in the industry.

- **Objective:**

Implemented in 2004, this on-the-job training program focuses on New Mexico residents working in primarily technical industry positions. This program serves as an incentive for participating companies to provide more job opportunities. The program provides a 50% reimbursement of the qualified participants' wages to the participating company for up to 1040 hours physically worked by the crewmember. Companies are approved by the Chair of the Job Training Incentive Program (JTIP) Board. The objective is to increase awareness and participation of this program.

**Quarterly Results:** Seven companies were approved for participation and one company has been reimbursed in quarter 1; in FY12 an average of ten New Mexico participants participated in the program.

B. Pre-Employment Training Program: Workshops & Lectures (PETP)

Fiscal Year	Number of Workshops	# of Trainees	Reimbursement
FY09	15	386	\$ 61,118.02
FY10	9	198	\$ 58,675.19
FY11	3	35	\$ 9,122.46
FY12	4	70	\$ 17,371.97
FY13 Q1	1	22	\$ 3,603.00
<b>Total YTD</b>	<b>41</b>	<b>950</b>	<b>\$ 176,102.89</b>

Since fiscal year 2008, 41 workshops and lectures have taken place with 950 New Mexico participants. The reimbursement total was \$176,102.89.

**Goal:** Pre-employment training program (PETP) is intended to furnish qualified manpower resources for the film and multimedia industry. Three sub-programs exist: one for film technicians, one for creative above-the-line talent (currently on hold) and one for post-production and media.

- **Objective:**

Implemented in 2006, the intention of PETP workshops and lectures is to assist the development of New Mexico's economy by providing reimbursement funds to contractors facilitating short-term intensive courses, workshops or lectures that primarily relate to technical film and television job positions. Contractors are approved by the Chair of the Job Training Incentive Program (JTIP) Board. In 2012, PETP for Emerging Media was approved by the board.

**Quarterly Results:** One workshop took place with 22 participants.

Performance Measure	Target	1 <sup>st</sup> Quarter Results
Number of media industry worker days	150,000	32,000
Economic impact of media industry productions in NM	\$300M	\$138M
Number of films & media projects principally photographed in NM	85	9
Number of major film productions made in NM greater than \$1 million	17	5
Number of workshops to train film crew technicians to serve the industry	6	1
Number of production companies participating in the Film Crew Advancement Program	8	1



# Appendix

New Mexico Economic Development Department		
FY13 Performance Results for the First Quarter		
Division & Measure	Target	1st Quarter Results
Office of the Secretary		
Percent of performance measure targets in the general appropriation act that were met	85%	Annual
Number of rural & urban jobs created	2,500	1,089
Number of rural jobs created	1,100	248
Number of urban jobs created	2,000	841
New Mexico Economic Development Corporation (Partnership)		
Number of jobs created through business relocations facilitated by the Partnership	2,200	100
Number of company relocations (NMEDP)	12	2
Number of leads created through the EDP	405	104
Average annual cost per EDP job created	\$500	Annual
Economic Development Division		
Jobs created by business expansions	600	147
Number of business expansions	40	14
Number of urban business expansions	32	10
Number of rural business expansions	12	4
MainStreet		
Number of communities participating in MainStreet	25	23
Jobs created by MainStreet	600	126
Dollars of private sector investment in MainStreet districts	\$9 million	\$638,308
Number of new businesses in MainStreet districts	140	30
Number of building rehabilitations completed in MainStreet Districts	150	31
Financial Development Team		
Number of capital outlay projects funded	12	1
Number of projects prepared for Smart Money and Collateral Support Program	20	2
Number of businesses provided technical assistance in creating a funding package request and referred to the appropriate funding agency	5	15
Amount of new investment as a result of the Angel Investment Tax Credit	\$10 million	\$264,889
Community, Business, and Rural Development Team		
Number of certified communities	40	23
Percentage of CCI communities with completed community profiles and a land and building inventory populated on EDD's web site	100%	100%
Job Training Incentive Program		
Number of workers trained by JTIP**	1,000	450
Number of rural companies participating in JTIP	8	5
Number of businesses participating in JTIP	25	15
Average annual cost per JTIP trainee	\$2,500	Annual
Average wage of jobs funded through the Job Training Incentive Program	\$16/hr	\$15.12
Percent of employees whose wages were subsidized by the job training incentive program still employed by the company after one year.	60%	Annual
Office of Business Advocacy		
Number of business advocacy cases opened	100	27
Number of business advocacy cases solved	30	10
Office of International Trade		
Number of new-to-export (NTE) clients identified and assisted	10	3
Number of existing exporters assisted in entering new markets	10	2
Number of international trade transactions	30	2
Number of businesses trained by NM9000 quality management standards	10	0
Film Office		
Number of media industry worker days	150,000	32,000
Economic impact of media industry productions in New Mexico, in millions	\$300	\$138
Number of films & media projects principally photographed in New Mexico	85	9
Number of major film productions made in New Mexico greater than 1 million dollars	17	5
Number of workshops to train film crew technicians to serve the industry	6	1
Number of production companies participating in the Film Crew Advancement Program (minimum of 8 trainees per company	8	1
Administrative Services Division		
Number of payment vouchers accurately processed within seventy-two hours of receipt	75%	Annual
Measure included in the General Appropriations Act		

NEW MEXICO ECONOMIC DEVELOPMENT DEPARTMENT FY13 PERFORMANCE REPORTING: COMPANIES ASSISTED IN CREATING NEW JOBS

First Quarter: July 1, 2012 through September 30, 2012

Name of Company	Type of Company	Location	Date of Announcement	Program Assisting Company	Relocations*		Expansions*		Start-Ups*		Total New Jobs	
					Urban	Rural	Urban	Rural	Urban	Rural	Urban	Rural
Intergalactic Bread Company	Bakery	Santa Fe	7/22/2012	OBA			2				2	0
Sitel	Customer service center	Las Cruces	7/22/2012	CBRDT	200						200	0
JackRabbit Systems	Customized software	Santa Fe	7/31/2012	JTIP			2				2	0
Knockout Mtl Wrx	Precision machine shop	Albuquerque	7/31/2012	JTIP			1				1	0
Compass Components	Electronics manufacturing	Deming	7/31/2012	JTIP				8			0	8
IntelliCyt Corp.	Life sciences	Albuquerque	7/31/2012	JTIP			4				4	0
Lovelace Health System CBO	Backoffice Support	Albuquerque	7/31/2012	JTIP			22				22	0
Martinez & Sons Processing	Meat processing	Las Vegas	7/31/2012	JTIP						8	0	8
NanoMR	Medical devices	Albuquerque	7/31/2012	JTIP			1				1	0
Incitor	Biomass fuel development	Albuquerque	7/31/2012	JTIP			6				6	0
Ideum, Inc.	Interactive software development	Corrales	8/20/2012	JTIP			7				7	0
ClosedWon, LLC	Web application development	Albuquerque	8/20/2012	JTIP			3				3	0
Western Baking Corp.	Manufacturing	Alamogordo	8/20/2012	JTIP				19			0	19
Air USA	Corporate headquarters	Albuquerque	9/12/2012	Ofc of the Sec	200						200	0
Bizlink	Electronics manufacturer	Santa Teresa	9/12/2012	Partnership		70					0	70
Ferza	Logistics	Santa Teresa	9/12/2012	Partnership		30					0	30
JH Rose	Logistics	Santa Teresa	9/20/2012	Ofc of the Sec				20			0	20
L & M Radiators	Manufacturing	Las Cruces	9/20/2012	Ofc of the Sec			50				50	0
Plenish, Inc.	Cosmetic product manufacturer	Taos	9/20/2012	JTIP				2			0	2
Alliance Data	Customer service center	Rio Rancho	9/20/2012	JTIP	308						308	0
MainStreet (see quarterly report)											35	91
TOTALS FOR 1ST QUARTER					708	100	98	49	0	8	841	248

*\*Relocations are defined as companies that expand to New Mexico from another state or country; Expansions are New Mexico companies adding new full-time jobs; Start-ups are newly-established companies*

New Mexico Economic Development Department

Historical Performance Results	
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<i>Division &amp; Measure</i>	FY2008	FY2009	FY2010	FY2011	FY12	1st Qtr FY13
<b>Office of the Secretary</b>						
Number of rural & urban jobs created	5,582	4,570	2,763	1,922	2,684	1,089
Number of rural jobs created	1,890	1,641	1,446	958	1,542	248
Number of urban jobs created	3,692	2,929	1,317	964	1,142	841
<b>New Mexico Partnership</b>						
Number of jobs created through business relocations facilitated by the Economic Development Partnership (EDP)	3,984	2,225	767	499	657	100
Number of company relocations (NMEDP)	9	7	6	6	6	2
Number of leads created through the EDP	401	417	409	437	392	104
Average annual cost per EDP job created	38	26	36	29	\$913	Annual
<b>Economic Development Division</b>						
Jobs created by business expansions	565	554	626	498	605	147
Number of business expansions	33	42	49	40	35	14
Number of urban business expansions	24	36	36	32	25	10
Number of rural business expansions	9	6	13	8	10	4
<b>New Mexico MainStreet</b>						
Jobs created by MainStreet*	569	549	681	598	592	126
Number of communities participating in MainStreet	28	24	23	22	23	23
Dollars of private sector investment in MainStreet districts	\$18.7M	\$9.2M	\$37.8M	\$9.3M	11,264,444	\$638,308
Number of new businesses in MainStreet districts	112	190	113	140	133	30
districts	157	117	170	167	141	31
<b>Community, Business and Rural Development Team</b>						
Number of certified communities	38	39	40	38	36	23
<b>Job Training Incentive Program (JTIP)</b>						
Number of workers trained by JTIP	2,004	1,469	1,181	613	1,015	450
Number of rural companies participating in JTIP	17	6	9	5	9	5
Number of businesses participating in JTIP	56	44	35	34	32	15
Average annual cost of JTIP trainee	\$5,725	\$8,057	\$10,145	\$5,468	\$4,600	Annual
Average wage of jobs funded through JTIP	\$14.87	\$18.24	\$22.43	\$18.74	\$16.30	\$15.12
<b>Office of International Trade</b>						
Number of international transactions	25	9	6	38	14	2
Number of ISO trained businesses	27	23	49	4	7	0
<b>Film Office</b>						
Number of media industry worker days	151,082	162,190	142,524	181,366	143,046	32,000
Economic impact of media industry productions in New Mexico, in millions	\$660.3	\$746.4	\$558.6	\$696	\$673.8	\$138
Number of films & media projects principally photographed in New Mexico	93	89	109	96	61	9
Number of major film productions made in NM (\$1M+)					14	5
<i>*Detailed in MainStreet report</i>						

To: Barbara Brazil, Deputy Cabinet Secretary/NMEDD  
Beth Davis, Research Director/NMEDD

From: Steve Vierck, President and CEO/NMP

Date: October 15, 2012

Subject: New Mexico Partnership First Quarter Report FY13 Report

Emphasis during the first quarter, as it will be throughout the fiscal year, has been on expanding and effectively implementing business development and marketing activities in order to generate increased numbers of qualified prospects. An expanded pipeline of prospects for business relocation and expansion remains the most critical organizational need. We are seeing improved results in the generation of relocation/expansion projects; however, additional substantial improvement is required.

Sales Missions and Trade Shows/Industry Conferences:

NMP participated in the following four trade shows and industry conferences during the quarter:

- International Manufacturing Technology Show (IMTS)/Chicago
- Association of Unmanned Vehicle Systems International (AUVSI)/Las Vegas
- Pure Energy Expo and Conference/Clovis
- Intersolar North America/San Francisco

AUVSI was noteworthy in that it was the first event carried out under the approach to collaboratively fund key trade shows with the help of New Mexico community and regional economic development organizations and businesses. Financial support enabled NMP to have an exhibit at the show and to host a New Mexico reception which was well-attended. NMEDD Cabinet Secretary Jon Barela participated in both the reception and trade show. A collateral piece on New Mexico's advantages for the UAS industry was developed with the active assistance of NMEDD and several regional EDC's. We anticipate building upon the success of our participation at AUVSI in future events.

Consistent with the increased number of trade shows and industry conferences targeted, additional markets have been added to the schedule of sales missions. Successful sales missions were taken to the following regions with the number of meetings with corporations and site consulting firms indicated.

- Northern California (9)
- Denver (6)

Preparations were made during the quarter for an intensive surge of 8 sales missions and trade shows/industry conferences during the October through mid-November time frame. The FY 2012-13 Marketing Calendar of remaining Sales Missions and Trade Shows/Industry Conferences is attached.

#### Social Media:

Newsworthy items including trade show information and company announcements were periodically posted on social media channels LinkedIn, Facebook, and Twitter.

#### Direct Mail:

A postcard summarizing New Mexico's Transportation and Logistics advantages was sent to approximately 500 corporate and site consultant contacts. A manufacturing-related piece was drafted for the next mailing.

#### Website:

Several website enhancements were made including new marketing language, additional maps, and updates to the target sectors and incentives information.

#### Prospect Data Base:

Progress was made on an important NMP objective to improve our lists of industry-specific contacts. Within that thrust, NMP contractor JBA delivered monthly listings of companies within target sectors which have been integrated into sales missions and trade show meeting lists. One segment included California and Illinois small-to-mid-sized manufacturers.

#### Communication:

We're finalizing an approach to more efficiently and regularly provide updates to community and regional EDC's and NMEDD on the status of prospects for which proposals have been submitted.

A quarterly NMP newsletter was sent to approximately 400 stakeholders.

The September NMP Board of Directors meeting was held in Gallup as part of an initiative to hold quarterly "face to face" meetings within each quadrant of New Mexico. The meeting was held in conjunction with the meeting of the Legislature's Interim Economic and Rural Development Committee.

#### Completed Projects Results (% of YTD objective):

Leads: 104

Prospects: 11

Locates: 2

Jobs: 100

Two companies announced new operations in Santa Teresa – Ferza (30) and Bizlink Technologies (70).

**New Mexico MainStreet Quarterly Report Matrix**  
**July - September 2012**

Community	1 No. of Net New Businesses	2 No. of Private Business Expansions	3 No. of Private Building Rehabs	3A No. Receiving Design Asst.	4 Private Reinvestment (2+3)	5 No. of Public Sector Improvements	6 Public Sector Improvement Dollars	7 No. of Public/ Private Projects	8 Public/ Private Project Dollars	9 No. of New Bldgs.	10 New Building Dollars	11 Net New Jobs
Artesia	1		3		\$70,000	1	\$3,500					3
Carlsbad	1											2
Clovis	0		2		\$93,000							-3
Corrales	-1											-5
Farmington	7	1	2		\$25,500							35
Grants	9	1								1	\$1,000,000	41
Hobbs												
Las Cruces												
Los Alamos	3	4	4		\$450,589	6	\$515,308			2	\$4,212,327	9
Portales	1		3		\$92,000							0
Roswell	1	1				1	\$3,500					8
Silver City	4	2	2	1	\$50,000	1	\$65,000					16
Clayton	3					1	\$5,000	2	\$4,000			7
Las Vegas	1		2		\$15,000							-1
Raton												
Tucumcari			1	1	\$1,200							
Deming	-5	1										-3
Lovington	3		1		\$30,000							7
DAT - Abq	4							2				10
Nob Hill - Abq												
Belen	-5		5		\$4,001,100			1				-5
T or C	3	1	6		\$36,850	1	\$46,000					5
Zuni												
<b>TOTALS</b>	<b>30</b>	<b>11</b>	<b>31</b>	<b>2</b>	<b>\$4,865,239</b>	<b>11</b>	<b>\$638,308</b>	<b>5</b>	<b>\$4,000</b>	<b>3</b>	<b>\$5,212,327</b>	<b>126</b>
Community	1 No. of Net New Businesses	2 No. of Private Business Expansions	3 No. of Private Building Rehabs	3A No. Receiving Design Asst.	4 Private Reinvestment (2+3)	5 No. of Public Sector Improvements	6 Public Sector Improvement Dollars	7 No. of Public/ Private Projects	8 Public/ Private Project Dollars	9 No. of New Bldgs.	10 New Building Dollars	11 Net New Jobs



12A	12B	12C	12D	13A1	13A2	13B1	13B2	14A	14A	15	16A	16B
No. of Public Sector Grants	Public Sector Grant Dollars	No. of Private Sector Grants	Private Sector Grant Dollars	No. of Special Events	Special Event Direct Profit Dollars	No. of Promotions	Promotions Direct Profit Dollars	No. of Housing Units Rental	No. of Housing Units Owner	Volunteer Hours	Buildings Purchased	Bldg Purch Price (\$)
				1	\$300					139		
2	\$88,500			15	\$2,000	1				365	1	\$210,000
				1		1		2		243		
				2	\$1,800	1	\$8,600			299		
				6	\$1,500					165	1	\$180,000
				1	\$989					146	1	\$1,600,000
				4	\$6,000					1305		
1	\$24,000			2		1				2650		
		3	\$150	3	\$200	10	\$1,625			62		
3	\$101,250			5	\$17,686	1				138		
				1	\$2,100	4				328	1	\$150,000
				1						729		
1	\$30,000			1						435	1	\$135,000
				3	\$160	1	\$390			56		
				1	\$10,000					460		
										613		
2	\$22,250	2		3						276	3	\$150,000
										96		
										281		
						4				182		
				2	\$120	3	\$100			433		
										74		
9	\$266,000	5	\$150	52	\$42,855	27	\$10,715	2	0	9,475	8	\$2,425,000
12A	12B	12C	12D	13A	13B	13C	14A	14B	14C	15	16A	16B
No. of Public Sector Grants	Public Sector Grant Dollars	No. of Private Sector Grants	Private Sector Grant Dollars	No. of Special Events	Special Event Direct Profit Dollars	No. of Promotions	Promotions Direct Profit Dollars	No. of Housing Units Rental	No. of Housing Units Owner	Volunteer Hours	Buildings Purchased	Bldg Purch Price (\$)

**JTIP Quarterly Report  
FY13 - 1st Quarter**

**July**

Company	Obligated	Jobs	RPH	City	County	Rural	Urban	Cost/Trainee	Begin Date	Co. Type
JackRabbit Systems, Inc.	54,905	2	47.12	Santa Fe	Santa Fe		x		7/13/2012	Expansion
Knockout Mtl Wrk, LLC	9,640	1	18.00	Albuquerque	Bernalillo		x		7/13/2012	Expansion
Compass Components, Inc.	76,204	8	16.71	Deming	Luna	x			7/13/2012	Expansion
IntelliCyt Corporation	66,869	4	30.59	Albuquerque	Bernalillo		x		7/13/2012	Expansion
Beauty Health and Science Innovations, Inc.	245,047	35	13.74	Clovis	Curry	x			7/13/2012	Relocation
Incitor, Inc.	111,550	6	29.08	Albuquerque	Bernalillo		x		7/13/2012	Start-Up
CRE-MED	27,610	7	15.06	Albuquerque	Bernalillo		x		7/13/2012	Expansion
Martinez and Sons Processing	49,728	8	13.63	Las Vegas	San Miguel	x			7/13/2012	Start-Up
NanoMR, Inc.	5,960	1	15.50	Albuquerque	Bernalillo		x		7/13/2012	Expansion
Lovelace Health System-CBO	116,072	22	16.31	Albuquerque	Bernalillo		x		7/13/2012	Expansion
<b>Total</b>	<b>763,586</b>	<b>94</b>	<b>17.15</b>			<b>3</b>	<b>7</b>	<b>8,123.26</b>		

**August**

Company	Obligated	Jobs	RPH	City	County	Rural	Urban	Cost/Trainee	Begin Date	Co. Type
ClosedWon LLC	52,566	3	30.05	Albuquerque	Bernalillo		x		8/10/2012	Expansion
Western Baking Corporation	95,202	36	10.36	Alamogordo	Otero	x			8/10/2012	Start-Up
Ideum, Inc.	123,077	7	26.99	Corrales	Bernalillo	x			8/10/2012	Expansion
<b>Total</b>	<b>270,845</b>	<b>46</b>	<b>14.18</b>			<b>2</b>	<b>1</b>	<b>5,887.93</b>		

**September**

Company	Obligated	Jobs	RPH	City	County	Rural	Urban	Cost/Trainee	Begin Date	Co. Type
ADS Alliance Data Systems, Inc.	1,330,968	308	14.65	Rio Rancho	Sandoval		x		9/14/2012	Relocation
Plenish, Inc.	14,440	2	14.00	Ranchos de Taos	Taos	x			9/14/2012	Expansion
<b>Total</b>	<b>1,345,408</b>	<b>310</b>	<b>14.65</b>			<b>1</b>	<b>1</b>	<b>4,340.03</b>		

	Obligation	Projects	Jobs	Ave. Wage	Rural	Urban	Cost per Trainee
<b>Total FY13 - 1st Quarter</b>	<b>\$ 2,379,839.30</b>	<b>15</b>	<b>450</b>	<b>\$ 15.12</b>	<b>6</b>	<b>9</b>	<b>\$ 5,289</b>