



EDD

ECONOMIC
DEVELOPMENT
DEPARTMENT

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Gov. Michelle Lujan Grisham
Cabinet Secretary Alicia J. Keyes
Deputy Secretary Jon Clark

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No-Interest LEDA Loans Approved For New Mexico Businesses

Program Helps Support Jobs Through COVID-19 Emergency

SANTA FE, N.M. – Four additional companies are in the process of receiving no-interest economic development assistance through a No-Interest LEDA loan program established by Gov. Michelle Lujan Grisham, Economic Development Department Cabinet Secretary Alicia J. Keyes announced today.

Before the federal government passed the first CARES Act, Gov. Lujan Grisham worked with the New Mexico Economic Development Department to craft the program, which allows no-interest loans through the Local Economic Development Act (LEDA).

To date, the new LEDA loan program has assisted five New Mexico businesses with a total of more than 100 employees. The program will provide \$1.4 million in assistance.

"These LEDA dollars are being invested throughout the state to help smaller companies maintain operations and pay employees. LEDA and other economic assistance programs are some of the tools New Mexico needs to reach a full economic recovery," Cabinet Secretary Keyes said.

In Ruidoso, [Noisy Water Winery](#) received a loan of \$90,000. The winery's retail businesses were shut down due to the virus, and substantial cash-flow was lost. This funding will be used for lease and rent expenses for their manufacturing facility and event venue in Alto; and for their five tasting rooms: two in Ruidoso, one in Cloudcroft, one in Red River, and one in Santa Fe.

The no-interest loan for Noisy Water Winery, approved by the Lincoln County Commission on May 28, 2020, is the county's first-ever LEDA project since they approved the LEDA ordinance in 2009.

"As a small business, we are constantly adjusting to our environment. The COVID-19 pandemic was something very few companies planned for and for us as a winery, it was extremely helpful to be able to utilize some of our government resources during this time," Noisy Water Owner Jasper Riddle said. "We appreciate the diligent effort of the State of New Mexico and Lincoln County in helping us continue to build and grow."

In Albuquerque, [Old Barrel Tea Company](#) is in line for a \$40,000 loan, with the City of Albuquerque serving as the fiscal agent. Old Barrel produces much more than tea, with products including herbs, spices, essential oils, and tinctures that help with sleep and immunity.

“It is comforting to know that the state has programs like LEDA that help small businesses like Old Barrel Tea Company grow during economic hardship,” Co-Owner Paola Huffmon said. “This loan will help our company get closer to our pre-COVID goals and will help keep our staff employed. We are eager to offer more jobs to New Mexicans, and the LEDA program is crucial in helping us achieve this goal.”

“Old Barrel Tea Company had been rapidly expanding prior to COVID-19. We know that small businesses like OBTC are the backbone of our economy and make up for a larger percentage of our employment numbers, which is why our economic development strategy is centered on supporting small businesses,” Albuquerque Mayor Tim Keller said. “We are glad to see that this LEDA funding will help keep them on a path of growth and keep employees employed during this very difficult time.”

Santa Fe based [Descartes Labs](#) is seeking an \$800,000 loan, with the City of Santa Fe as fiscal agent. Descartes Labs’ technology, used to predict crop yields, is now tracking movement in the new age of COVID-19. Descartes has 54 well-paid employees.

“These are extremely challenging times, even for a rock-star startup like Descartes Labs,” Santa Fe Mayor Alan Webber said. “Helping a local tech company like Descartes weather this financial storm will pay real dividends for Santa Fe as we continue to attract innovators and grow job creators. We’re committed to supporting home-grown entrepreneurs and small businesses, to diversify our economy and build for the future with our tech partners.”

[La Puerta Originals](#) in Santa Fe is also seeking approval for a loan. It operates a production facility and makes hand-crafted, ornate architectural products, inspired by antique materials salvaged from around the world. A LEDA loan of \$37,578 will help the company retain 13 employees.

The City of Albuquerque is also the fiscal agent for a loan made to [Virbrant Corporation](#). Vibrant’s resonance testing process provides quality assurance testing for industries such as aerospace, energy, automotive, and defense. The \$304,000 loan will help the company retain 12 employees.

The Legislature has restricted LEDA to economic base businesses and expenses related to land, buildings, and infrastructure, including rent abatement. Those interested should contact Mark Roper, EDD’s Finance Division Director, at mark.roper@state.nm.us. You can learn more about LEDA qualifications on EDD's [LEDA web page](#).

Governor Lujan Grisham also approved the COVID-19 [Business Loan Guarantee Program](#). Under this initiative, the state can assist businesses seeking emergency loans or lines of credit to deal with negative economic impacts from COVID-19. EDD can guarantee a portion of a loan or line of credit up to 80% of principal or \$50,000. Loan proceeds are flexible and can be used for (but not limited to) working capital, inventory, and payroll. As of this week, 43 businesses have secured guarantees for a total of \$2.1 million in lending.

For more information contact EDDFinance@state.nm.us.

Prior to the creation of the no-interest loan program, LEDA investments statewide have contributed to the creation of more than 11,000 jobs and \$2.5 billion in new private investment. The rural impact of LEDA includes more than 4,000 new jobs and \$1 billion in new capital.

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Photos courtesy of Noisy Water Winery

The New Mexico Economic Development Department's mission is to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive.

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