

SUSANA MARTINEZ  
GOVERNOR

JON BARELA  
CABINET SECRETARY



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Contact: Angela Heisel  
(505) 629-5148  
[Angela.Heisel@state.nm.us](mailto:Angela.Heisel@state.nm.us)

## **The New Mexico Economic Development Departments MainStreet Program Announces Final New Mexico MainStreet Economic Impact Analysis**

**SANTA FE** - Wednesday, the New Mexico Economic Development Department's New Mexico MainStreet program released the final Economic Impact Analysis report conducted by Place Economics, a Washington D.C. based real estate and economic development consulting firm. In December, the department announced preliminary findings from the study that indicated New Mexico MainStreet has experienced above average economic gains. The final, full report breaks down complete data showing New Mexico MainStreet's economic impact on historic city centers.

"We have always known the New Mexico MainStreet is a first-class program that has paid tremendous dividends to New Mexico's economy and now we have the hard data that presents the case," said Economic Development Cabinet Secretary Jon Barela. "The report shows that New Mexico taxpayers are seeing a return on their investments and business and local governments benefit greatly from that investment."

The National Main Street Center contracted with Donovan D. Rypkema, principal of PlaceEconomics to perform a comprehensive analysis of New Mexico MainStreet's economic impact over the past 28 years. The final report finds that New Mexico MainStreet has experienced above-average gains

Below is a summary of the report, you may find the full report [here](#).

- Since the beginning of the program in 1986, for every \$1 the State of New Mexico invested in the MainStreet program, MainStreet districts saw private sector investment of \$21.89 in building rehabilitation and \$22.55 in new construction.
- Since 1986 through July of 2013 New Mexico MainStreet communities saw a gain of 3,200 net new businesses and nearly 11,300 net new jobs.
- In spite of the recession, in the last six years 157 buildings were purchased in MainStreet districts for a total of more than \$22,000,000.
- Nationwide between 2007 and 2011, for every 100 businesses that opened, 103 closed. Over that same period in New Mexico MainStreet districts, for every 100 businesses that opened, only 37 closed. Conservatively, an additional \$5.1 million each year is going to local governments through property taxes on the investment in rehabilitation and new construction by the private sector in MainStreet districts.

- Capital Outlay projects have a major catalytic effect on those downtowns. Impacts reported as a result of these projects include:
  - o 100% reported individual building improvements and new businesses opening
  - o 82% reported higher attendance at events
  - o 73% reported reduced vacancy levels
  - o 64% reported increased pedestrian traffic
- New Mexico is well known for arts, outdoor recreation and great food. New businesses on MainStreet are responding to that reputation. Of the most recent new businesses in New Mexico MainStreet communities:
  - o 26% are restaurants, cafes, bars and brewpubs
  - o 13% are arts related
  - o 13% are recreation, sports and personal health (spas, exercise studios, etc.)
- Even though restaurants are a high risk/high failure rate business, there were twice as many new restaurants opened than closed in the last year in MainStreet districts.
- It's not just Santa Fe...When asked, "where are the gathering places downtowns?" Art Galleries were the most common place identified, even more than coffee shops.

New Mexico MainStreet (NMMS) is a grassroots economic development program of the New Mexico Economic Development Department. The program was created by the Legislature in 1984 to assist communities revitalize their traditional commercial districts.

Currently NMMS works with 27 local MainStreet programs throughout New Mexico to create an economically viable business environment while preserving local, cultural and historic resources.

The National Main Street Center, Inc. a subsidiary of the National Trust for Historic Preservation, assesses the performance and initiatives of state Main Street programs throughout the United States. The purpose of this assessment is to track the best practices to counter challenges that are common amongst state Main Street programs.