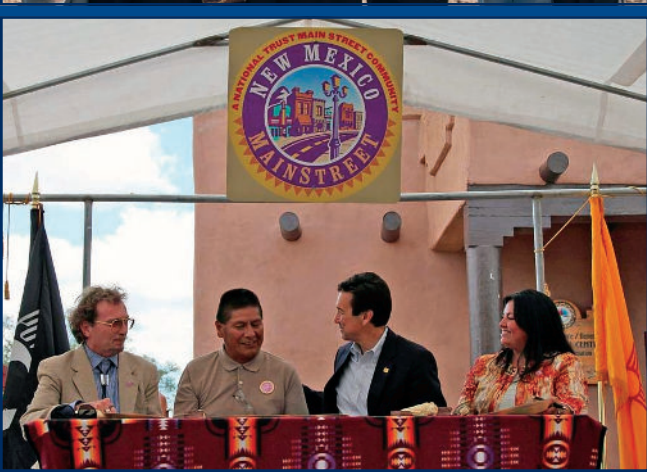


New Mexico Economic Development Department  
**JOB CREATION REPORT**  
**FY2013 Mid-Year**





## LETTER FROM THE CABINET SECRETARY

Despite job loss numbers due to federal budget cuts hitting New Mexico's national laboratories and military installations hard, the New Mexico Economic Development Department (NMEDD) is set to exceed its job creation targets. In the first two quarters of FY13, the department is at **92 percent** of its target for the entire year, with 2,304 economic-base jobs created by NMEDD thus far.



Governor Martinez and Cabinet Secretary Barela at Western Baking Company ribbon cutting, Alamogordo

We have had several business relocations and expansions, and private-sector job growth, including manufacturing, is growing. New companies in New Mexico include **Solaro Energy** (pictured on cover, top left), a solar product manufacturer, relocating its headquarters from California to Socorro (100 Jobs); **Air USA**, an aviation company, relocating its headquarters from Illinois (200 jobs); and **Western Baking Company**, a Mexican cookie and cracker producer, creating up to 500 jobs in Alamogordo. **Alliance Data** moved into the call center facility previously occupied by Victoria's Secret, retaining 350 jobs. JTIP provided funds to train the employees for Alliance.



Governor Martinez and Cabinet Secretary Barela at Alliance Data in Rio Rancho

New Mexico companies currently expanding include: **Stolar Research**, to Rio Rancho, creating 50 new high-wage jobs; **Lowe's Customer Support Center**, adding 300 jobs in Albuquerque; and **L&M Radiator**, which recently moved nearly 200 jobs to Las Cruces, is adding 50 more.



Cabinet Secretary Barela at L&M Radiator in Las Cruces

The New Mexico Borderplex is also thriving and growing at an unprecedented pace. Four companies announced their relocation to Santa Teresa – all of them due in part to the passage of the six-mile overweight cargo zone bill that allows overweight trucks in the zone to unload and transfer goods in New Mexico and also to New Mexico's renewed focus on the border region. Those new companies are: **Ferza** (30 jobs); **Bizlink** (70 jobs); **Ironhorse**, pictured on cover (12 jobs) and **Interceramic** (30 jobs). **JH Rose**, a long-time tenant in the Santa Teresa Industrial Park, expanded by 20 jobs.



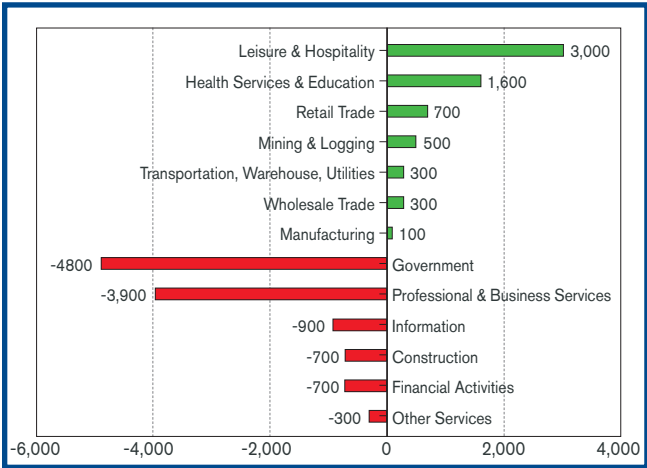
Governor Martinez and Cabinet Secretary Barela at Air USA in Albuquerque

Governor Susana Martinez also signed an agreement with Chihuahua Governor Cesar Duarte (pictured middle left, on cover) to develop a master plan for a bi-national border industrial campus to take advantage of the growth on both sides of the border with the Foxconn plant in San Jeronimo, Mexico producing 55,000 Dell computers a day and the \$400 million Union Pacific intermodal facility in Santa Teresa. This would be a one-of-a-kind industrial park on the border that would compete for large advanced manufacturing companies around the world.

Though the private sector is creating new jobs, New Mexico is already experiencing job losses attributable to federal funding cuts. The industry sectors experiencing the highest losses in the

State are government and professional and business services. The latter includes employment at both Los Alamos and Sandia National Laboratories. Recognizing the urgency to diversify the state's economy, NMEDD organized the **New Century Economic Summit**, facilitated by New Mexico First in October to address job losses and how to replace them. More than 100 participants from various industries across the state came together to discuss ideas to move the economy forward by leveraging the state's assets, promoting investments into sustainable industries and diversifying the state's economy for the next century. Through these recommendations came the seven-point legislative plan called the **New Century Jobs Agenda**, that is intended to make New Mexico more competitive with surrounding states. More than 70 organizations representing every region of New Mexico have endorsed this Agenda.

**NM JOB GAINS & LOSSES: Nov. 2012 over Nov. 2011**



In addition to making New Mexico more competitive through legislation, NMEDD has done some exciting things internally to create jobs. Our Office of Business Advocacy has assisted more than one hundred companies, retaining nearly 2,000 jobs. Our focus on increasing exports has resulted in New Mexico moving from 38<sup>th</sup> to 3<sup>rd</sup> and then to 2<sup>nd</sup> in the nation in international trade growth over two years. And New Mexico MainStreet made history by dedicating the first-ever Native American MainStreet at the Pueblo of Zuni.

With our continued efforts and the help of the New Mexico Legislature this session, we know we can make New Mexico one of the best states to do business.

Jon Barela  
Cabinet Secretary  
New Mexico Economic Development Department

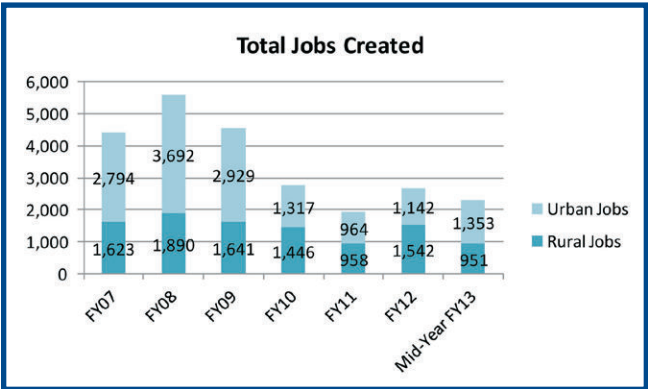


Governor Martinez tours the new Lowe's Customer Support Center in Albuquerque

**OFFICE OF THE SECRETARY**

Primary Performance Measures	Target	Mid-Year Results
Total number of rural & urban jobs created	2,500	2,304
Rural jobs created	1,100	951
Jobs created by MainStreet	600	323
Number of media industry worker days (New Mexico Film Office)	150,000	75,340

The number of jobs NMEDD has assisted in creating during the first half of FY13 has almost reached the level of total jobs created in FY12:





## Marketing & Research

Early in January, NMEDD went live with a completely redesigned web site: [www.goNM.biz](http://www.goNM.biz). The site includes NMEDD programs and services, marketing information specific to each target industry sector (see box), census and other data, profiles of each New Mexico county and tribe, and will eventually include a searchable database of statewide commercial real estate properties on a GIS platform with demographic data, transportation infrastructure and other information. NMEDD is collaborating with the Department of Workforce Solutions to improve the data provided in the State Data Center section of the site.

NMEDD has also been collaborating with the Partnership to produce brochures to support trade shows and sales missions. New Mexico has many assets for the aerospace industry, specifically unmanned aerial vehicles and systems (UAS, pictured below). The Partnership, along with Secretary Barela, attended a trade show and hosted a reception for global UAS companies in August. The UAS brochure was utilized at the show.



## NEW MEXICO PARTNERSHIP

The New Mexico Partnership has significantly increased its marketing and business development initiatives, including expanding the number of trade shows/industry conferences from 10 to 14. New sales missions have been added to Denver, Houston and Washington DC/Northern Virginia bringing the total number to 11.

### Key Industry Sectors

- ▶ Energy & Natural Resources
- ▶ Aerospace & Defense
- ▶ Advanced Manufacturing
- ▶ Digital & Emerging Media
- ▶ Value-Added Agriculture
- ▶ Distribution, Logistics & Transportation
- ▶ Back Office and Technical Support



Governor Martinez and Cabinet Secretary Barela at the Interceramic dedication in Santa Teresa

The Partnership's expanded marketing and business development program has helped increase the number of business relocation/expansion leads in the first two quarters of FY 2013 by 27 percent over last year.

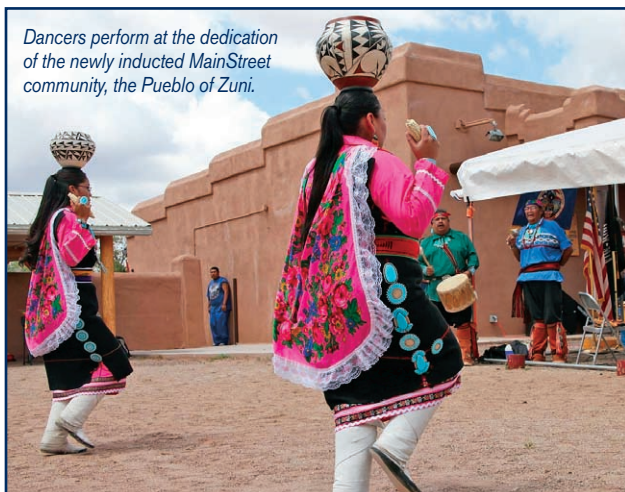
## ECONOMIC DEVELOPMENT DIVISION (EDD)

EDD is the largest division and is responsible for business retention and expansion and community development. It accomplishes this mission through a variety of programs and teams, each with specific goals and objectives that are revised each year during NMEDD's strategic planning process. **EDD has successes to celebrate in the first half of FY13:**

- ▶ Total exports from New Mexico have more than doubled over the past two years, from \$774 million to \$1.5 billion. To help continue this growth, the Office of International Trade was awarded a \$187,802 STEP grant from the Small Business Administration to promote New Mexico products globally.
- ▶ The NMEDD Community, Business, and Rural Development Team approved 23 applications for the Certified Community Initiative Program, awarding \$179,000 to communities for economic development efforts throughout the state.
- ▶ The New Mexico MainStreet Program created 622 jobs across the state in the 2012 calendar year. Thus far in 2013, MainStreet districts report 61 new businesses creating 323 jobs, 61 building rehabilitations and more than \$4 million in private sector investment. MainStreet is a program administered by NMEDD and provides technical assistance to 23 communities statewide.
- ▶ NMEDD teamed with the New Mexico Finance Authority to travel around the state to present details on the Collateral Support Program that has made more than \$13 million in financing available to New Mexico small businesses. The

presentations took place in the following communities: Las Vegas, Raton, Gallup, Grants, Farmington, Las Cruces, Carlsbad, Clovis, Hobbs, Roswell, Santa Fe, Albuquerque, Alamogordo and Taos.

- ▶ Three New Mexico small businesses completed preparation for ISO 9001 certification through the New Mexico 9000 program. ISO 9001 is the quality management standard recognized by more than 170 countries. A new class with five participating companies began January 18.
- ▶ NMEDD's nationally recognized Job Training Incentive Program assisted in the hiring of 516 new workers at 28 individual companies in the first half of FY13.



### New Mexico MainStreet (NMMS)

NMMS currently serves 23 designated community organizations statewide. There are many NMMS successes in the first six months of the fiscal year:

- ▶ \$1.8 million renovation of Baish Veterans Park in downtown Artesia
- ▶ Purchase and redevelopment of the Hotel Castañeda in Las Vegas (*see photo, p. 7*)
- ▶ With a \$250,000 rehab, the Main Street Bistro & Ale House opened in downtown Las Cruces, bringing 39 new jobs
- ▶ Los Alamos' Pajarito Brew Pub and Grill brought 35 jobs downtown
- ▶ Clovis added six new businesses to its downtown district, creating nine new jobs



- ▶ Deming MainStreet secured "Historic District" Status for the downtown district through the State Historic Preservation Division
- ▶ Design assistance was provided to Alamogordo on the historic Plaza Building
- ▶ MainStreet launched a Historic Theaters Restoration Initiative with the support of Secretary Barela (*above*)
- ▶ The Grants MainStreet district added five new businesses
- ▶ Zuni MainStreet hosted events in support of the Pueblo's artists: "Ancient Way Fall Festival" and "Holiday Arts Event"

### Job Training Incentive Program

Focusing on increased participation by rural businesses and the utilization of the STEP-UP program, JTIP staff have visited with companies in Socorro, Deming, Dexter, Roswell, San Ysidro, Mogollon, Reserve, Las Vegas, Clovis, Columbus, Taos, Los Luceros, Silver City, Moriarty, Alamogordo and Carlsbad. The program has also focused on technology companies that create high-wage jobs. As a result of this effort the average wage of trainees in the second quarter of FY13 was \$35.02, more than double the average wage in the first quarter. Five tech-intensive companies were funded in the second quarter and 11 received information on JTIP.





## Office of Business Advocacy (OBA)

The Office of Business Advocacy has been tremendously successful since its inception in 2011. OBA has been particularly important to businesses in rural communities that often find state agencies to be a frustrating maze of bureaucracy. Since the beginning of FY13, OBA has opened 51 new cases and closed 18. Some examples of OBA success stories:



- Prior to working with OBA, Old Martina's Hall in Rancho de Taos (*pictured above*) had been denied a permit to sell beer and wine four times. The permit required a variance due to its proximity to a church. OBA worked with the Alcohol and Gaming Division, the church, and village residents on a redesign to the satisfaction of all and the permit was approved.

- The Medical Resort at Fiesta Park (*right*) is a post hospital rehabilitation facility. OBA worked with both the Regulation and Licensing Division and the Department of Health to insure the timely issuance of needed permits and licenses to avoid costly delays in opening the business, which will ultimately employ 102. \$9.2 million in renovations were completed utilizing New Mexico contractors.



## New Mexico Rural Economic Development Council

Recognizing the need for a formal platform for an ongoing dialog on issues specific to rural areas, Cabinet Secretary Barela appointed the Rural Economic Development Council in the fall



Governor Martinez and Cabinet Secretary Jon Barela (2nd and 3rd from left), at the Stolar Research groundbreaking in Rio Rancho.

of 2012. The Council is structured much like the Partnership board with two representatives from each region and two Native Americans. All rural economic development staff, stakeholders and community leaders are invited to participate. The first meeting was held in Moriarty on October 29<sup>th</sup> with 30 participants. The first two priorities set by the Council are regional training and capital outlay funding. Two task forces are already working on those respective issues. The Council will meet quarterly.

## Finance Development Team (FDT)

The FDT has already assisted more than 40 businesses and community projects seeking funding for new or expansion projects. The FDT provides financial analysis, information on funding sources, and makes referrals to appropriate agencies. The projects that have been assisted are as diverse as a bakery, a ladder manufacturer, and a hospital. One success story is Martinez & Sons Meat Processing in Las Vegas, which was approved for capital outlay funding, creating eight jobs.

## Office of International Trade (OIT)

Leveraging NMEDD resources with funds from a SBA grant, OIT has conducted sales missions and participated in trade shows in South America, Hong Kong, Mexico, Munich, and Amsterdam. The Trade office also provides one-on-one assistance and training to New Mexico companies seeking international markets for their products and services. These efforts have resulted in 20 international sales transactions thus far in FY13, totaling approximately \$800,000 in new revenue to New Mexico companies.

## NEW MEXICO FILM OFFICE

The New Mexico Film Office has announced **nine major productions in the state since the beginning of FY13**. Several television series are also filming here, including: **Longmire, Breaking Bad, and 72 Hours**. Direct spending by film and television production companies since July 1<sup>st</sup> has already exceeded \$75 million. Film locations have included: Angel Fire, Galisteo, Santa Fe, Gallup, Zuni, Santo Domingo and Zia Pueblos, Albuquerque, Cerrillos, Las Cruces, Sunland Park, Edgewood, Corrales, Tijeras, Bernalillo, Deming, Silver City, Hillsboro, Chilleli and Las Vegas.



*Pictured above: (Top) The television series Longmire, starring Robert Taylor; (above left) Brian Cranston in the television series Breaking Bad; (above right) Johnny Depp in the upcoming feature The Lone Ranger.*

## OFFICE OF MILITARY BASE PLANNING AND SUPPORT

The Holloman AFB Transition is the number one Military Base Planning Issue: F-22s will eventually leave and two squadrons of F-16s will move to New Mexico. The Office is supporting the transition by addressing changes to airspace in New Mexico. Several meetings with WSMR, the FAA, and the 49<sup>th</sup> Wing at Holloman are progressing. Contracts have been finalized for the Cannon AFB Land Acquisition: Legal, Environmental Baseline Survey, Appraisal, and Survey. All actions regarding the Melrose Air Force Range (MAFR) Expansion are complete: Tenant appraisal issues settled, tenants compensated, and Bills of Sale for tenant improvements have been provided to the U.S. Air Force. This action is finally complete after 4½ years. On behalf of



*Jet on runway at Holloman AFB in Alamogordo.*

the 58th Special Operations Wing Training infrastructure needs, the Director of the Office of Military Base Planning and Support engaged with the U.S. Air Force regarding improvements to the Centerfire Drop Zone as well as addressing alternative airports for assault and night operations at Belen Alexander or Double Eagle II airport.



*One of the many New Mexico MainStreet successes in the first 6 months of FY13 was the purchase and redevelopment of the famous Hotel Castañeda in Las Vegas.*



*Workers on the cookie line at Western Baking Company in Alamogordo.*



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