

FY2014 Third Quarter Performance Report

New Mexico Economic Development Department (NMEDD) FY 2014

Third Quarter Performance Report and 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.

Goal: Create a competitive environment for new business and job creation in New Mexico

| Performance Measure | FY14 Target | 1st Quarter | 2nd Quarter | 3rd Quarter | YTD Results |
|--|--------------------|-------------------------------|-------------------------------|-------------------------------|--------------------|
| Percent of performance measure targets in the General Appropriations Act that were met | 85% | Annual | | | |
| Total number of jobs created due to economic development department efforts | 2,500 | 318 | 826 | 795 | 1,939 |
| Total number of rural jobs created | 1,250 | 178 | 281 | 248 | 707 |
| Total number of urban jobs created | 1,250 | 140 | 545 | 547 | 1,232 |

Third Quarter Highlights

The new calendar year began with the announcement of Cyrq Energy's geothermal plant in Animas on January 15th, which created 100 construction jobs, 8 full-time positions and an investment of more than \$100 million in Hidalgo County. Governor Martinez, Secretary Barela and the Office of Business Advocacy were instrumental in streamlining the formerly duplicative permitting process for geothermal, which was an impediment to developing geothermal resources on a large scale in a timely manner, while ensuring the protection of the water supply.

On February 5th an economic impact analysis of 28 years of the New Mexico MainStreet (NMMS) program was released. The study was conducted by PlaceEconomics and revealed that since the beginning of the program in 1986, for every dollar the State invested in the program, MainStreet districts saw private sector investment of \$21.89 in building rehabilitation and \$22.55 in new construction. From 1986 through July 2013, NMMS 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 NMMS districts for a total of more than \$22 million.

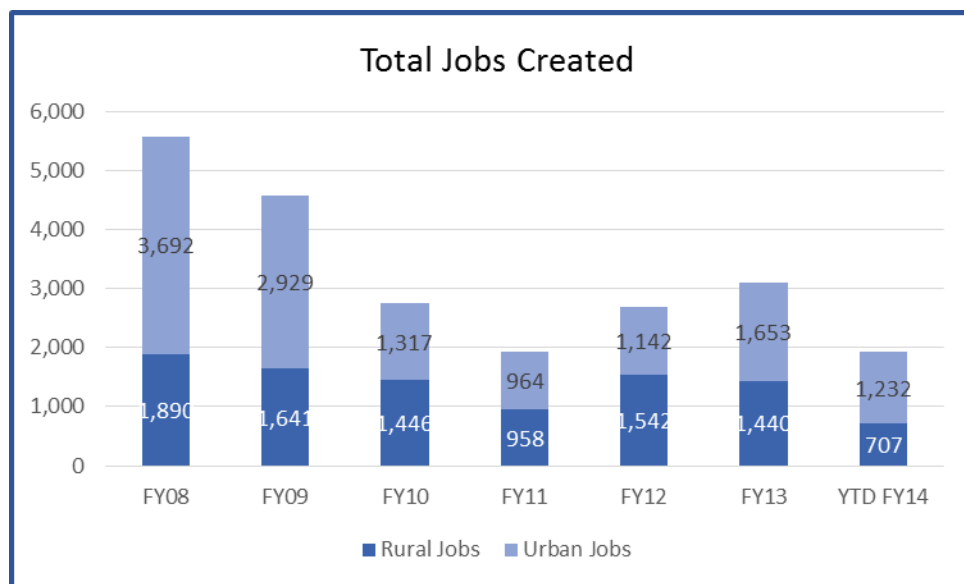
In February NMEDD released a study completed by Ernst & Young (E&Y) which revealed that the New Mexico Jobs Package that passed in the 2013 legislative session moved the State's ranking from 51st in the nation, in a 2011 E&Y study, to the most competitive in the West for manufacturing companies.

Business development announcements included three new companies in Otero County; DHF, a California manufacturing company that relocated to Rio Rancho; four companies in Santa

Teresa, an expansion of 200 new jobs at Praxair in San Juan County; Vitality Works, an Albuquerque manufacturer that will create 50 new high-wage jobs; and an expansion at Alliance Data in Rio Rancho of 200 new jobs. Alliance Data has already been awarded \$738,888 by JTIP for training these new positions.

The New Mexico Partnership closed six new relocations during the quarter. Four of these were counted in this quarter and two announcements will take place in the fourth quarter.

During the third quarter JTIP trained 693 positions at 13 companies, three of which were internships for New Mexico graduates. The Office of Business Advocacy continues to assist New Mexico businesses with 68 new cases opened this year, and 53 solved.



Economic Development Corporation (Partnership or NMP)

The Partnership markets New Mexico as a prime location for doing business to companies and site selection consultants across the country and around the world. This is accomplished through its marketing plan, which is revised annually based on available resources, community participation and input, and a changing global economy. The marketing plan includes sales missions, trade shows and conferences, the Partnership web site, brochures, direct mail, and newsletters.

Goal: Increase New Mexico's share of the Mountain States market for economic development projects in order to create new jobs and investment within and across the state.

Objectives:

- Market the advantages New Mexico has to offer to economic base companies outside the state, and recruit those companies to relocate or expand to New Mexico.

- Create opportunities to engage site selectors and companies considering relocating or expanding to New Mexico through joint marketing efforts between the Partnership and communities.
- Generate a diverse range of opportunities appropriate to the needs of urban and rural communities throughout New Mexico.
- Improve the conversion rates of leads and prospects into successfully completed projects.

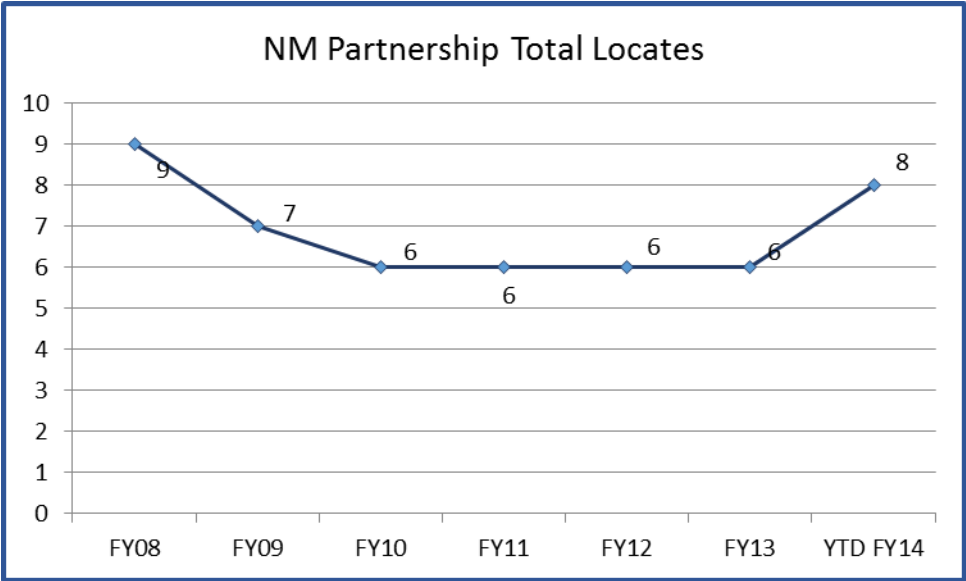
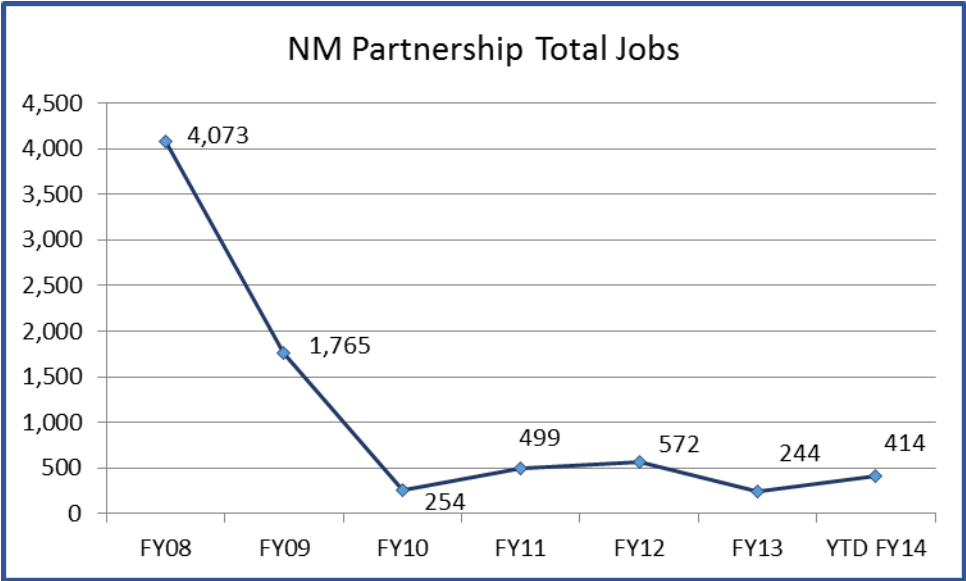
3rd Quarter Update:

The Partnership conducted three sales missions to Southern California, Phoenix and Dallas; and participated in three trade shows – outdoor products in Salt Lake City, the Site Selectors Guild in Denver, and Modex, a transportation and logistics industry event, in Atlanta.

Twenty PROs (potential recruitment opportunities) were distributed to communities, six companies visited New Mexico and four company relocations were announced. Two additional projects closed and will be announced in the fourth quarter.

- Stagecoach, a logistics company, relocated to Santa Teresa creating 9 jobs
- DHF, a metal foundry/advanced manufacturing facility, relocated to Rio Rancho creating 50 jobs
- Transmaritime, a logistics company that stores and moves freight containers, relocated to Santa Teresa creating 15 jobs.
- ERO Enterprises, a rail service company, located to the Santa Teresa Intermodal Park creating 50 new jobs.

| Performance Measure | FY14 Target | 1st Quarter | 2nd Quarter | 3rd Quarter | YTD Results |
|---|--------------------|-------------------------------|-------------------------------|-------------------------------|--------------------|
| Number of jobs created through business relocations facilitated by the economic development partnership | 1,700 | 20 | 270 | 124 | 414 |
| Number of business relocations facilitated by the economic development partnership | 9 | 1 | 3 | 4 | 8 |
| Average annual cost per economic development partnership job created | \$518 | Annual | | | |



Economic Development Division

The mission of the Economic Development Division is to assist local communities and businesses in retaining and creating better jobs, resulting in thriving communities and an exemplary quality of life for all New Mexicans. Economic development is accomplished through business recruitment, expansions and start-ups.

3rd Quarter Update

Division staff members were involved in the planning and implementation of the New Mexico Economic Development Summit, which was held April 1-3 in Hobbs. In a continued effort to provide community preparedness training to economic development practitioners, several of our staff members presented at the conference. Our Finance Development Team leader presented on “Financing Mechanisms” including Fund It and the Local Economic Development Act (LEDA), our MainStreet team presented on “Downtown Revitalization.” The team also hosted a booth where community leaders could obtain additional information on our programs.

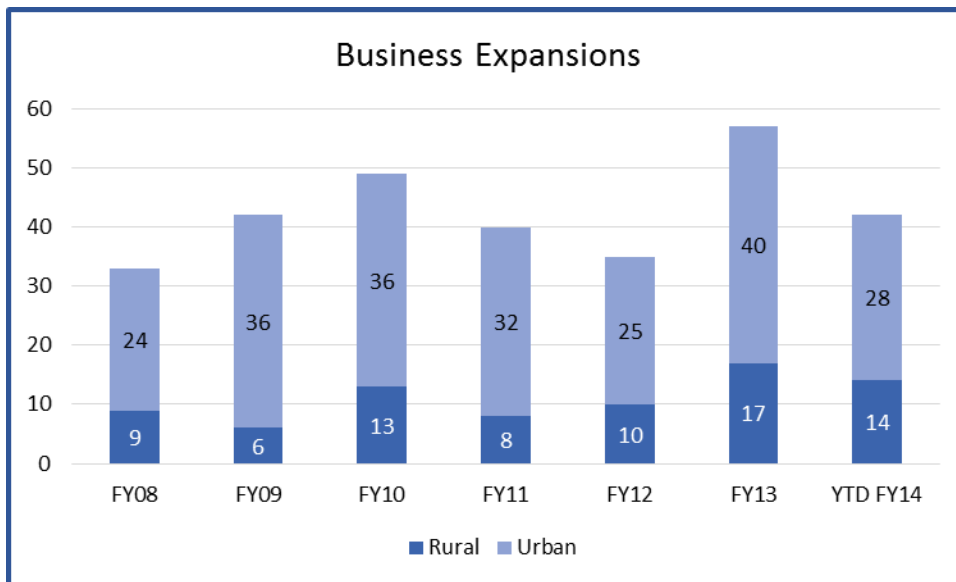
ISO 9000 Program

The September class of four companies completed ISO 9000 training during the quarter: Prescient 360, Inc.; Design Technologies Inc.; PnP Innovations; and Basic Dental Systems, Inc.

Business Expansions and Start-ups

The Economic Development Department assists new and expanding businesses through seven programs. MainStreet and the Arts and Cultural District Program focus on downtown revitalization and growing New Mexico’s diverse creative economy. The Finance Development Team builds financial packages for businesses and communities. The Job Training Incentive Program (JTIP) trains workers for new jobs. The Community, Business and Rural Development Team and Tribal Liaison assist communities in building their capacity and increasing their competitiveness for economic growth. The Office of International Trade assists New Mexico businesses in building their revenue by accessing new global markets.

| Performance Measure | FY14 Target | 1st Quarter | 2nd Quarter | 3rd Quarter | YTD Results |
|--|--------------------|-------------------------------|-------------------------------|-------------------------------|--------------------|
| Number of jobs created through business expansions | 600 | 64 | 511 | 458 | 1,033 |
| Number of business expansions assisted | 40 | 12 | 16 | 14 | 42 |
| Number of rural located business expansions assisted | 12 | 4 | 7 | 3 | 14 |



New Mexico MainStreet Program (NMMS)

Utilizing the National Trust Main Street Center’s proven revitalization strategies, the MainStreet Four Point Approach®, the program is part of an economic development network of more than 39 states and 1600 communities across the country.

Created by state statute in 1978, the program was launched in 1984. The National Trust accredits and licenses the program after a successful biennial assessment. Within each of the local MainStreet districts, the local MainStreet organization (of downtown stakeholders organized as a 501c3) works in partnership with the municipality. The organization assists property owners rehabilitate buildings, address infrastructure needs and fund capital improvements, creating an environment to attract new businesses and entrepreneurs resulting in job creation. Local affiliates receive services, resources and technical assistance from the state and national programs.

Non-MainStreet communities are eligible to attend community economic development workshops and trainings provided by NMMS staff. MainStreet’s priority is always to build the capacity of its local partners. Many of the activities conducted throughout the year focus on workshops specific to fundraising and grant writing, quarterly meetings, conferences and certification training.

Goal 1: With available budget, add two new emerging MainStreet (MS) communities.

3rd Quarter Update:

New Mexico MainStreet is assisting four emerging communities in FY14: Harding County, Gallup, Barelás and Albuquerque South Valley. These organizations are reflected in the total number of communities served (27) and they are reporting program results (see table in Appendix).

Goal 2: Stimulate private sector reinvestment within MainStreet districts.

Objective:

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

3rd Quarter Update:

- PNM provided \$122,000 in grants to eight New Mexico MainStreet Communities.
- Downtown ABQ MainStreet: Illuminating the Central Avenue/Rt. 66 streetlights with LED neon
- Nob Hill MainStreet: Establish a database of economic and commercial development for the MainStreet District
- Belen: Replacing the worn roof of the historic Old City Hall and police station
- Clayton: Rehabilitation of the historic Luna Theater
- Corrales: Developing a comprehensive marketing program with complementing materials
- Deming: Revitalizing and renovating a downtown pocket park on their historic walking tour
- Las Vegas: Renovating the Bridge Street Breezeway
- Silver City: Renovating the historic Silco Theater marquee

Goal 3: Grow new business in downtown area

Objective

- Create an environment to attract new business and entrepreneurs

3rd Quarter Update:

Artesia MainStreet dedicated the stunning new Artesia Library located in the MainStreet District. The new Cornerstones Coffeehouse has opened in the Lovington MainStreet District. The Liberty, a bar and ballroom, has opened in downtown Roswell. The building is an adaptive reuse of the old firehouse. The Third Street BBQ restaurant has opened in an old railroad warehouse in downtown Roswell. Utilizing a matching grant from NMDOT, the Roswell MainStreet district lighting is now all LED. The Hinkle Building rehabilitation in Roswell has two top floor penthouses and the first floor Senior Rehabilitation Center completed. Funding is needed to finish the five middle floors for housing. Downtown public restrooms have been added to the Roswell MainStreet District.

Objective:

- Create an environment to attract new business and entrepreneurs

3rd Quarter Update:

- Artesia received façade preservation recommendations and façade signage designs for the old City Hall building.
- Deming MainStreet is hosting a façade squad, with three downtown buildings scheduled for renovation.
- Raton MainStreet received conceptual drawings and engineering documents for rehabilitation of the historic La Cosina restaurant.
- Façade and property enhancement designs were prepared for a historic downtown 1930s building for Belen MainStreet.

- New Mexico MainStreet, in partnership with NMDOT and the UNM Indigenous Design & Planning Institute, worked with Zuni Pueblo to re-design the 4-way intersection in the heart of their MainStreet District. Conceptual plans for the new intersection and park were unanimously approved by the Tribal Council.

Frontier Communities Initiative

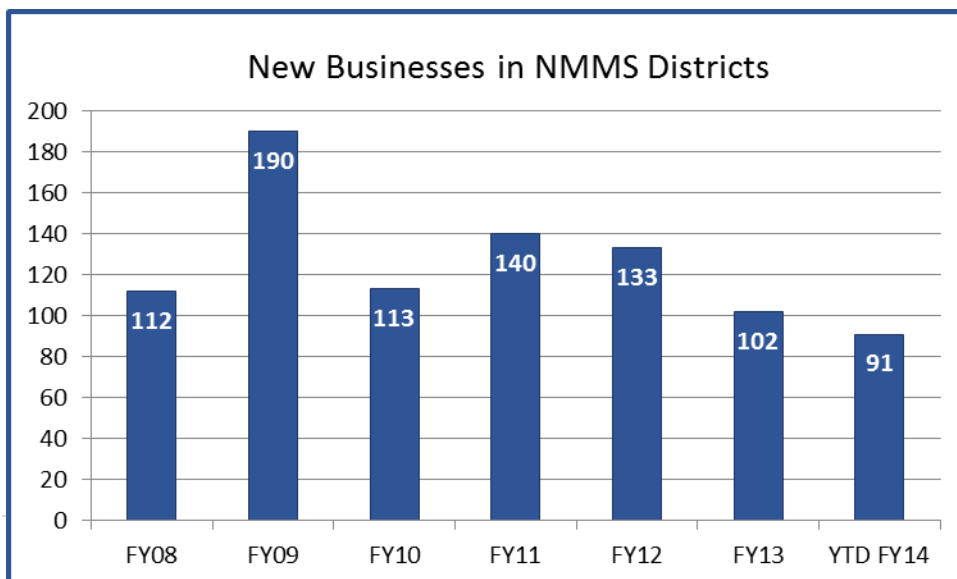
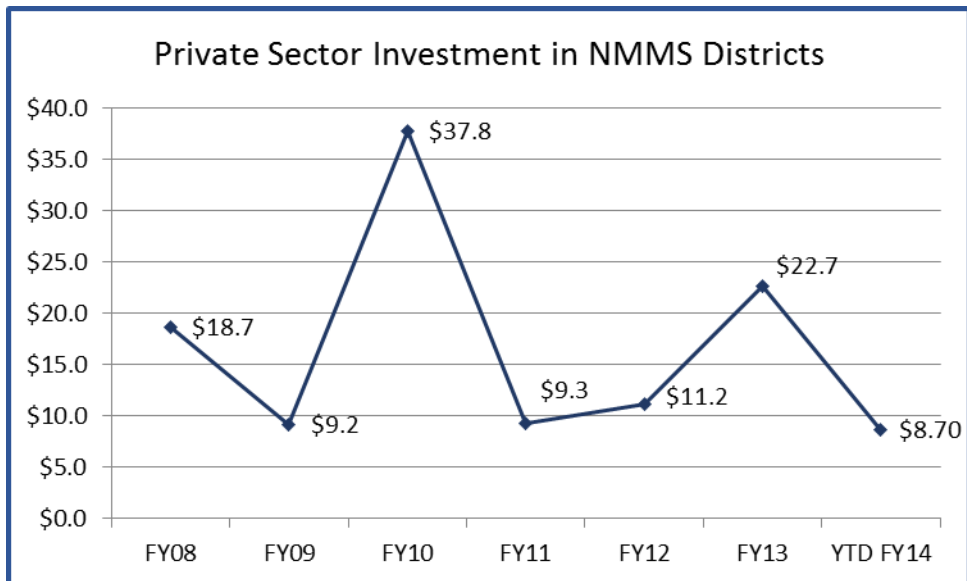
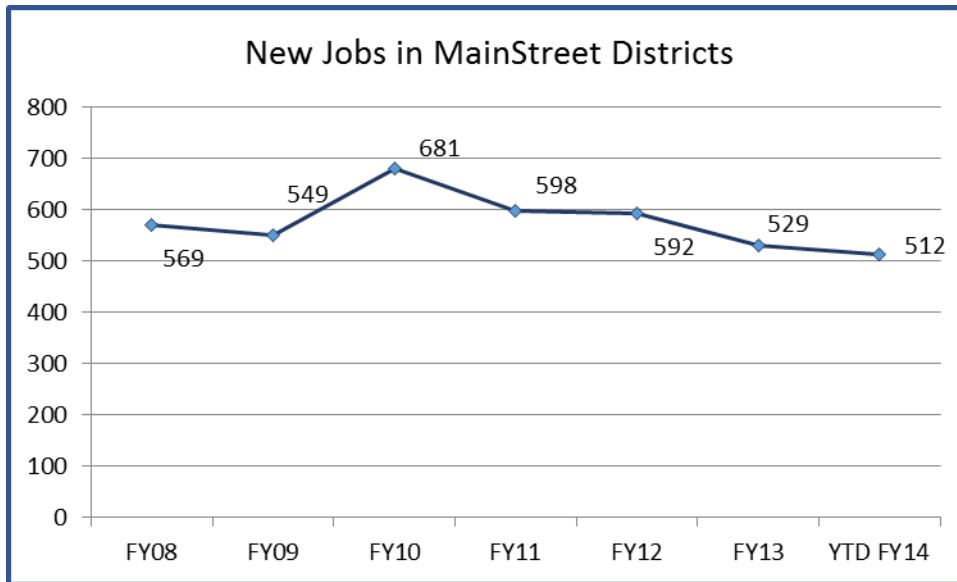
In FY14 EDD received \$500,000 to serve small rural communities that do not have the resources to meet the national standards for a qualified MainStreet district. EDD received 14 applications for the Initiative and seven were chosen.

Progress in the third quarter-

- The Central Plaza design work in Columbus is complete.
- Carrizozo received image development and branding assistance and business development strategies.
- NMMS conducted an assessment of the historic Carrizozo Lyric Theater to determine the potential for a rehabilitation project. In addition, NMMS is preparing a downtown district streetscape/wayfinding/revitalization conceptual plan.
- The final logo design, entry monument designs and wayfinding signage concepts are finished for the Village of Santa Clara.
- Hurley has received and approved a final streetscape design concept.
- A façade squad is scheduled in Wagon Mound. They have selected three historic buildings on Railroad Avenue. The team will repair/replace broken windows, patch damaged plaster, and paint buildings to return them to their original splendor.
- Business development services provided to Madrid culminated in the development of The Madrid Center, a multi-use space for business, community and economic development services.

One new frontier community was added. The City of Lordsburg will receive urban design assistance on street improvements and revitalizing Motel Drive through the center of town.

| Performance Measure | Target | 1 st Quarter | 2 nd Quarter | 3 rd Quarter | YTD Results |
|---|--------|-------------------------|-------------------------|-------------------------|-------------|
| Number of communities participating in MainStreet | 25 | 27 | 27 | 27 | 27 |
| Number of jobs created by MainStreet | 600 | 184 | 156 | 172 | 512 |
| Dollars of private sector investment in MainStreet districts | \$9M | \$5,170,004 | \$393,607 | \$3,202,971 | \$8.7M |
| Number of new businesses in MainStreet districts | 140 | 24 | 17 | 50 | 91 |
| Number of building rehabilitation completed in MainStreet Districts | 150 | 56 | 20 | 44 | 120 |



Arts and Cultural District Program (ACD)

Created by state statute in 2007, the New Mexico Arts and Cultural District program was one of the first in the nation and a model for thirteen other states and over 100 towns nationally. By state statute the director of New Mexico MainStreet is the “coordinator” of the program. “State authorized” programs receive a professional resource team’s evaluation of the strengths and weaknesses of the district, funding for an ACD cultural plan for the district and funding for an ACD Master Plan for future infrastructure and capital improvements. The program is directed toward creating district destinations to support local cultural and arts entrepreneurs by increasing cultural and heritage tourism. The interagency collaboration currently includes divisions of the Department of Cultural Affairs, the Economic Development Department, the Tourism Department and two statewide foundations: the McCune Charitable Trust and the New Mexico Humanities Council. Funding for a number of local initiatives has been awarded from the McCune and Whited Foundations and the National Endowment for the Arts.

The New Mexico Arts Commission, by state statute the state “authorizing” body, requires an annual report from each authorized district’s steering committee covering performance for the ACD district. There are currently 6 state authorized districts; Downtown Albuquerque, Las Vegas, Los Alamos, Raton, Silver City, and Taos.

Objectives:

- Pass the Arts and Cultural District “clean-up bill” during the 2014 Legislative Session;
- Add three new ACD Districts: Artesia, Gallup, and Mora were added as start-up ACD’s
- Complete economic cultural plan development in all 6 ACD districts and have the plans implemented and funded by municipalities;
- Access funding to hire a local ACD Coordinator;
- Market and brand a statewide ACD logo: completed (Q3)
- Establish a marketing campaign: completed(Q3)

3rd Quarter Update:

- Community assessments were conducted in the three new state authorized Arts & Cultural Districts: Gallup, Artesia and Mora County. An inter-disciplinary resource team spent three days on-site at each location conducting community focus groups. The assessment ends with a community presentation of findings and recommendations.
- The original State authorized Arts & Cultural Districts applied for and received a New Mexico Tourism cooperative advertising grant. The communities have initiated a statewide marketing campaign including display ads in New Mexico Magazine, a new ACD tourism website and advertising banner ads in the Albuquerque International Sunport.
- Silver City ACD received a \$10,000 grant from the NM Humanities Council for their signature event, the Silver City Clay Festival.

Finance Development Team (FDT)

The Finance Development Team introduces companies to tax incentives, job-training reimbursements and financial assistance programs. A customized analysis of the incentives and state programs can be provided to a business which is considering expansion, relocation or starting up in New Mexico. The FDT provides financial packaging, accessing capital, review and interpretation of company financial statements, and in-depth financial analysis consultations concerning all aspects of doing business.

Goal 1: Assist in the structuring and financing of business start-ups, expansions and/or relocations on a statewide basis

Objectives:

- Provide technical assistance partnerships with the various Councils of Government (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.
- Provide outreach, support, and assist with qualifying projects for the New Mexico Finance Authority's New Markets Tax Credits Program and Collateral Support Program

3rd Quarter Update:

1. Introduction of Department Services to Pecos Business Association. The Association presented a SWOT analysis on the business effects from fire, flooding, and state and federal park/camping areas which resulted in revenue losses for the community. Team leader referred the community to appropriate assistance programs.
2. Provided an introduction of LEDA and amendments to the Corrales MainStreet Board of Directors and Economic Development Committee members. Sample LEDA Ordinances were provided as a framework.
3. Served as guest speaker for the Risk Management Association (RMA), an ad hoc committee of the NM Bankers Association, at their annual dinner on the Collateral Support program. The RMA members are the credit analysts for lending institutions statewide who assess risk for lending criteria.
4. Served as presenter to the Governor's Renewable Energy Working Group Task Force on current enabling legislation for the renewable energy sector and the fiscal impact to the state for offering such incentives.
5. Serving as a focus group member for the CDBG Comprehensive Plan Development, along with Local Government Division, New Mexico Mortgage Finance Authority, and statewide COGS. CDBG funding is critical to EDD's ability to fund infrastructure projects.
6. Attended planning meetings with Workforce Solutions & Special Projects Manager regarding collaboration effort for financing options for a veterans training project, specifically, use of the Collateral Support program as an option.
7. Presented at the NM Brewers Guild on Collateral Support program and Angel investment Tax Credit.
8. Provided a broadband presentation at the NM ED Summit, including funding options.
9. Attended NM Family Business Alliance Event with Deputy Secretary to provide legislative update and financing programs information.

Objective:

- 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

Business Development Projects Update:

1. PraxAir – San Juan County; expansion of operations in NM resulting in 200 additional jobs; incentive analysis provided, which led to the application and utilization of certain incentives.
2. Vortex Theater – Albuquerque; expansion and renovation resulting in 7 retained jobs; 2 new jobs; funding secured by a capital campaign instead of borrowing from Collateral Support Program, so as to remain debt free.

Objective:

- Pursuant to the Statewide Economic Development Finance Act, make economic development determinations for New Market's Tax Credits Program, and Collateral Support Program Projects

Collateral Support Loan Participation Program – Projects Funded

1. Santa Fe Brewing – Santa Fe; \$350,000 to purchase expansion site; 100 jobs by the fourth year..
2. PMI – Espanola; \$1.2M for build to suit expansion, equipment; 30 new jobs
3. BTI Expansion – Santa Fe; \$1,145,000 for construction financing ; 36 new jobs

Note: These projects are reflected in the performance measure.

Collateral Support Loans in process:

1. Determination letter for MW Holdings – Collateral Support Applicant
2. Determination letter for Lock Builders, LLC – Collateral Support Applicant

Goal 2: 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 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

No capital outlay projects are fully funded, but ten are in process (see Appendix).

Angel Investment Tax Credit applications approved in the 3rd quarter:

| | | |
|--------------------------|-----------------------|---------------------|
| IX Power Clean Water | \$12,500.00 | \$3,125.00 |
| XF Technologies | \$70,000.00 | \$17,500.00 |
| BYE UAS, Inc. | \$170,000.00 | \$42,500.00 |
| @ Pay LLC | \$112,270.00 | \$28,067.50 |
| Nano MR Inc. | \$64,301.00 | \$16,075.00 |
| Trilumina | \$1,000,000.00 | \$3,000.00 |
| Tyrosine Inc. | \$55,000.00 | \$13,750.00 |
| Aqua Research | \$15,000 | \$3,750.00 |
| Vibrant Corp. | \$13,999.95 | \$3,499.99 |
| Vizzia Technologies | \$100,000 | \$25,000.00 |
| Exagen Diagnostics | \$62,818 | \$15,705.00 |
| Seamless Medical Systems | \$160,000 | \$40,000.00 |
| Total | \$1,835,888.95 | \$211,972.49 |

| Performance Measures | Targets | 1st Quarter | 2nd Quarter | 3rd Quarter | YTD Results |
|--|----------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------|
| Number of capital outlay projects funded | 8 | 0 | 0 | 0 | 0 |
| Number of businesses provided technical assistance resulting in a funding package and job creation | 5 | 0 | 2 | 3* | 5 |

**See Collateral Support Loan program participation above.*

Job Training Incentive Program (JTIP)

The mission of JTIP is to assist in the development of New Mexico's economy by providing training funds to businesses as they create jobs through start-up, expansion or relocation to New Mexico.

Goal 1: Increase company participation in JTIP**Objectives:**

- Continue to promote JTIP to eligible businesses in every region of the state by partnering with local and regional economic development organizations

3rd Quarter Update:

Communicated with ED partners to provide JTIP program information and/or activity in respective regions:

- WTAS
- Axiom CPA
- Moss Adams
- Four Corners Economic Development
- Sandoval County Workforce Connection
- Department of Indian Affairs Economic Development

- The BioScience Center

Spoke with the following companies either via telephone, email or site visit regarding JTIP and STEP UP eligibility and program details:

- | | |
|--|---|
| • Silent Falcon UAS, Albuquerque | • National Water Services, Santa Fe |
| • OGB Architectural Millwork, Albuquerque | • Silver Dollar Racing & Shavings, Maxwell |
| • PureColor, Albuquerque | • Awesome Harvest, Santa Fe |
| • Bendix King, Albuquerque | • Samson Equipment, Inc., Las Cruces |
| • Solaro Energy, Socorro | • xF Technologies, Albuquerque |
| • ClosedWon, Albuquerque | • PPC, Albuquerque |
| • TriLumina, Albuquerque | • Canon IT Services, Albuquerque |
| • Lowe's Customer Support Center, Albuquerque | • Vitality Works, Albuquerque |
| • Respira Therapeutics, Albuquerque | • Duel Brewing, Santa Fe |
| • FLUTE, Alcalde | • NM Consortium, Los Alamos |
| • Ultramain, Albuquerque | • AerSale, Roswell |
| • Jack's Plastic Welding, Aztec | • Fidelity Employer Services, Albuquerque |
| • Los Alamos Beer Co-op, Los Alamos | • P4Q USA, Albuquerque |
| • 3D Glass Solutions, Albuquerque | • Purple Adobe Lavender Farm, Abiquiu |
| • HT MicroAnalytical, Albuquerque | • Yeaman's Machine Shop, Los Alamos |
| • DHF Technical Products, Rio Rancho | • CN Wire, Santa Teresa |
| • Alliance Data Systems, Rio Rancho | |

The JTIP online application through Salesforce.com is now fully functional. The online application allows JTIP applicants to build their JTIP proposals completely online. JTIP staff has the ability to assist in the process by reviewing draft applications and providing feedback online throughout the process in real time. JTIP staff continues to refine the online application process based on client feedback. The online reporting and claim processing tools have been developed and will be rolled out for beta testing in Q4. Active JTIP participants will have the ability to submit hiring reports, claims for reimbursement and closeout reports online, through the JTIP application portal. JTIP staff will then review those documents and provide feedback within the application system, thus eliminating duplication of efforts with multiple levels of data entry.

Goal 2: Increase the number of jobs funded through JTIP

Objective:

- Focus on large expansion projects.

3rd Quarter Update:

- Maintain regular contact with the NM Partnership on potential locations and attend quarterly prospect update meetings.
 - Currently working on prospective locations: Project Distant—250-500 jobs
- Continue regular contact with large JTIP projects/participants to maintain participation throughout hiring ramp.
 - Canon IT Services—120 jobs by end of 2015
 - Vitality Works – 50 jobs by end of 2015
 - Fidelity Employer Services—258 new jobs in FY 2014 Q4 and an additional 200 jobs by December 2014.

Objective:

- Work with other EDD programs to ensure consistency and accuracy when JTIP is offered to a new or existing business

3rd Quarter Update:

- Maintain monthly contact with Regional Representatives when scheduling appointments with companies in their respective regions.
- Provide updated program policy and marketing materials to Division colleagues, specifically Regional Representatives and Finance Development Team.

Goal 3: Sustain the level of quality of the jobs funded by JTIP

Objectives:

- Encourage the 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

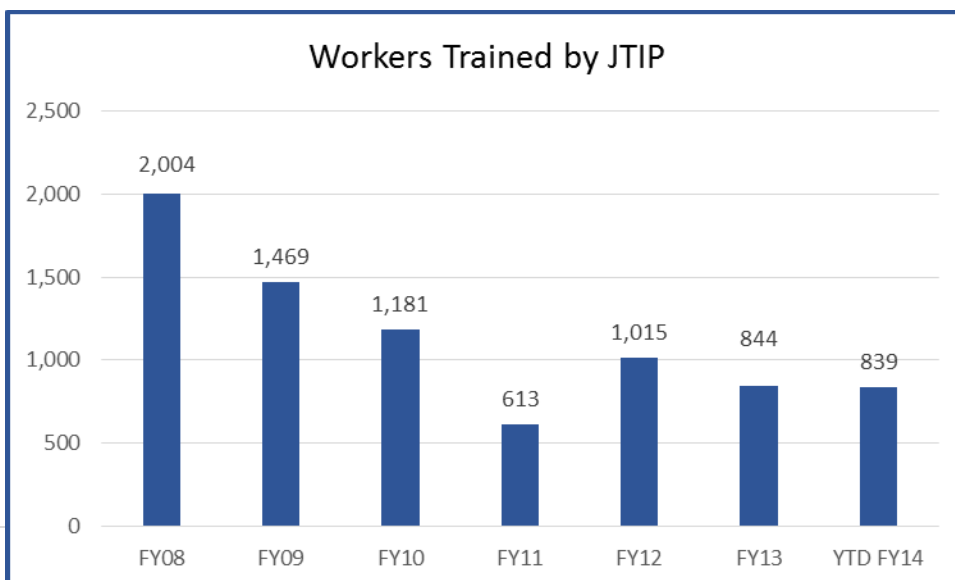
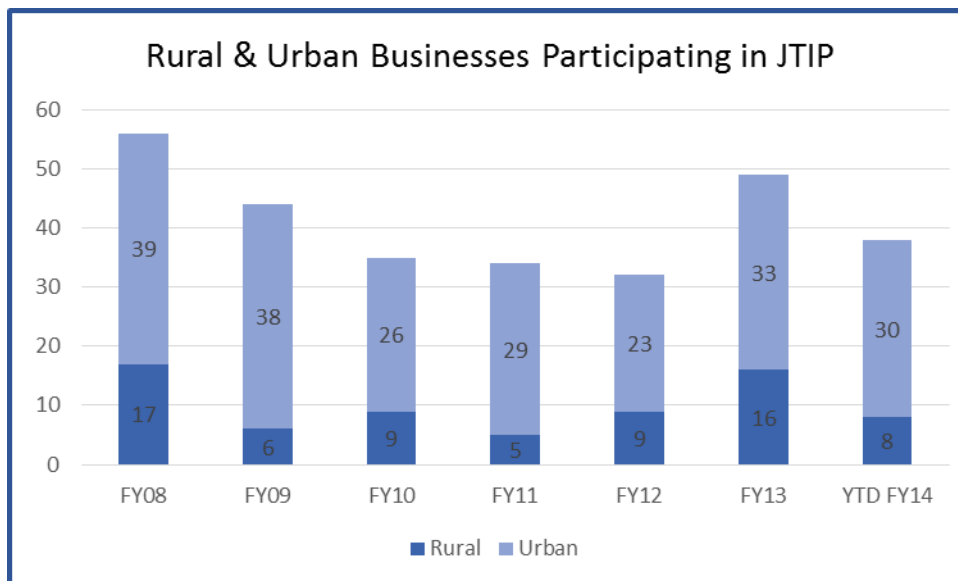
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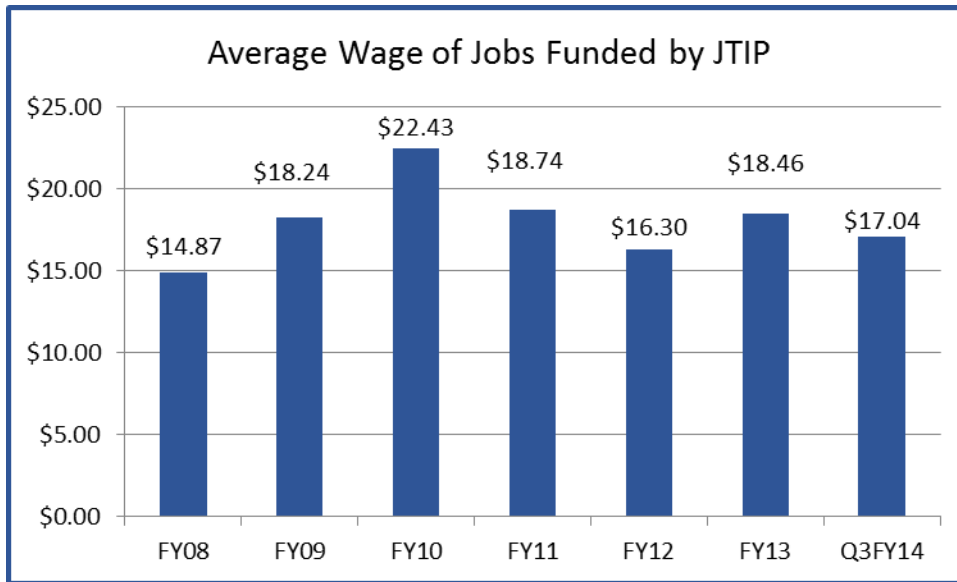
The JTIP board approved 79 high wage jobs in the third quarter of FY14, 5 of which are in rural locations. Six companies approved for JTIP funding in the third quarter of FY14 are technology-intensive.

Other technology-intensive companies contacted either via telephone, email or site visit are:

- | | |
|------------------------|----------------------|
| • Silent Falcon UAS | • NM Consortium |
| • Respira Therapeutics | • FLUTe |
| • PPC | • 3D Glass Solutions |

| Performance Measures | Targets | 1 st Quarter | 2 nd Quarter | 3 rd Quarter | YTD Results |
|---|---------|----------------------------|----------------------------|----------------------------|-------------|
| Number of workers trained by JTIP | 1,000 | 64 | 82 | 693 | 839 |
| Number of rural businesses participating in JTIP | 8 | 4 | 3 | 1 | 8 |
| Number of businesses participating in JTIP | 28 | 13 | 12 | 13 | 38 |
| Average annual cost per JTIP trainee | \$4,600 | \$11,239 | \$11,237 | \$5,788 | |
| Average hourly wage of jobs funded by JTIP | \$20 | \$22.24 | \$23.04 | \$17.04 | |
| Percent of employees whose wages were subsidized by JTIP still employed by the company after one year | 66% | Annual survey | | | |





Community, Business and Rural Development Team (CBRDT)

The mission of the Team, commonly known as “regional representatives or reps” 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 1: Build local economic development capacity 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

CCI is in the second year of commitments based on applications submitted in FY13. All entities have complied with the community profile requirement. In some instances team members are working with communities to improve the data and information presented on their respective websites.

Objectives:

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

Region 1

Cibola County Broadband Project: EDD has participated in meetings with the County, City of Grants, Village of Milan, several broadband providers, and the New Mexico Department of Information Technology to address broadband needs in the County. Several options continue to be explored including grants and LEDA funds.

Two potential projects in northwest New Mexico could greatly increase the state's competitiveness as a destination for logistics companies seeking access to the BNSF TransCon Corridor. The TransCon covers 13 states with 4,647 miles of track, from Tennessee to California:

McKinley County/Navajo Nation Inland Port Feasibility Study: EDD is working with Gallup, McKinley County and the Navajo Nation to analyze the market for, and potential usage of, an inland port facility in the Navajo Chapter communities of Manuelito, Rock Springs, and Tsayatoh. This analysis shall examine the feasibility of the project and economic impact of the new jobs and investment associated with the development. The analysis will include industrial, commercial and agricultural entities, and provide a breakdown of anticipated volume traffic in and out of the inland port. The analysis shall identify possible customers in Gallup-McKinley County, northwest New Mexico, and the U.S.

San Juan-McKinley County Rail Line (Connecting the Four Corners to the BNSF TransCon and Interstate 40) The Four Corners region's substantial energy resources are beginning to drive the demand for a 110-mile railroad spur from the BNSF TransCon (I-40) to the Four Corners area for shipment of equipment and materials in and to extract energy resources and shipment of products out for further processing or markets including international markets. Further, preliminary survey results indicate that substantial retail and other industry needs for rail transportation could decrease costs and promote economic activity for all four states, New Mexico, Utah, Colorado, and Arizona, but predominately San Juan County and the three border counties of southwest Colorado. In addition, current job growth in the Four Corners is being driven by the manufacturing of oil and gas related products which is currently limited due to the lack of rail. The area has the other necessary resources including water and skilled workforce, but lacks rail, limiting potential manufacturing growth.

Both of these feasibility studies are anticipated to be the beginning of substantial infrastructure upgrades for the region.

Region 2

Taos County

The Town of Taos is experiencing issues with the expense of operating a small community airport with no commercial air service to supplement revenue. The town is seeking a nearby community to partner in their efforts to attract a service provider. Regional representative has contacted the airport managers at both Los Alamos and Taos Ski Valley and has yet to generate any interest in such a partnership.

Sandoval County

The Village of Corrales is seeking funds for a wastewater treatment planning grant. Rep provided community leaders with information regarding the Local Economic Development Act as a potential funding source. No action has been taken yet.

The Village of Jemez is seeking funds for a nature trail through the central business corridor. Rep has provided application information for the Small Cities Community Block Grant, Public Project Revolving Loan Program, Rural Development Initiative Grant, as well as a grant through the Department of the Interior's National Park Service. To-date, the Village has been unsuccessful in garnering any funding.

Region 4

Colfax County

Regional rep assisted the Village of Maxwell in receiving \$1 million in capital outlay funding for water infrastructure, but the project is not yet fully-funded. A regional meeting on water infrastructure issues is planned for April 30th.

Region 5

Luna County

Identifying commercial buildings in community which have sufficient utility service for industrial uses.

Region 6

Chaves County

The City of Roswell needs a water line extension for additional business development. Rich Glo has approximately \$100,000 in water and electrical upgrades needed for their plant and the initial estimate from the City for the extension is \$25,000. Regional rep is actively working with the City and the company to identify funding sources.

Objective:

- Conduct statewide business retention and expansion surveys 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 Office of the Secretary.

Region 2

Lacome Skis: Manufacturer of skis for the disabled is seeking a joint venture to take the product to the national market.

FLUTE: Regional Rep met owners of the business and toured facility in Alcalde with the Rio Arriba County Commissioners. The Finance Development Team also met with the company, the Regional Development Corporation, and the New Mexico Finance Authority. The company makes specialized pipe liners/ tubing for water resources and mining projects. FLUTE currently has pipe lining produced by a contract manufacturer in California (current costs \$200,000 annually), but wants to purchase equipment to manufacture in-house (at a cost of \$250,000).

Purple Adobe Lavender Farm: The farm is having issues with NMDOT and the regional rep has involved the Office of Business Advocacy to assist.

Estrella del Norte Vineyard: The company is interested in tax credits; specifically the Manufacturing Investment Tax Credit.

Region 3

Fiore Industries: BRE survey with this company identified interest in Rural and High Wage Jobs Tax Credits, the Manufacturing Investment Tax Credit, JTIP, and possible ISO 9000 training.

Region 4

Silver Dollar Shavings, Maxwell: This company is interested in applying to JTIP in the near future when a new transportation employee is hired.

Red Mesa Pharmacy, Raton: Former employees of Del Norte Pharmacy (which closed in 2013) opened their own store in March, retaining 14 employees of Del Norte.

Pecos Propane: Met with an accountant to discuss family succession plan.

Region 5

Compass Components, Deming: Company manufactures and assembles wire harnesses and has 101 employees, but it expects to remain at this level until sales improve. Compass will pursue STEP-UP retraining program with rep's assistance.

Murray Hotel, Silver City: The MainStreet assisted new owners in reopening this historic property. Unfortunately reduced tourism to the city is causing financial difficulties, but the owners report it has a 30% occupancy. The company still wants to open its ballroom, restaurant and, eventually open the remaining rooms.

AmeriCom Automation Services, Las Cruces: Company designs, manufactures and installs communication systems. Due to the economy, the company closed its El Paso facility, but will now serve its customers from Las Cruces. The company may be seeking a different building and it will be growing its employment.

J.D. Custom Machine, Inc., Las Cruces: This machine shop specializes in industrial repair and fabrication. It expects steady growth.

Region 6

Stewart Industries: Ongoing visits with this company resulted in a bill to increase the tax credit for aviation companies. HB24 was signed into law by Governor Martinez in Roswell on March 6th. The company is in the process of hiring 50 technicians. (Counted towards performance measure)

Gavilon Grain, Clovis: Through a visit with this company the regional rep learned the company was considering closing in Curry County. The rep worked with the Clovis Industrial Development Corporation to obtain approval from the City of Clovis for a \$200,000 post-performance grant in annual payments of \$50,000. The company is purchasing new equipment with this funding. As a result, Gavilon will remain in Clovis and the community saved 21 jobs. (Counted toward performance measure)

Goal 2: Increase the number of communities adopting the Local Economic Development Act (LEDA) and increase adoption of the Local Option Gross Receipts Tax (LOGRT)

Objectives:

- To best utilize public funding resources under which LEDA is the mechanism that enhances and protects public private partnerships, provide education and support to those communities without LEDA
- Increase the number of communities that have adopted LOGRT, as a means of funding local projects more readily and without reliance on legislative appropriations

- Provide education and support to those communities without LOGRT by assisting governing bodies in the adoption process
- Develop an internal tracker to ascertain which communities are eligible to pledge that portion of the GRT for economic development purposes; assist local governing bodies in identifying the use, need, and process

3rd Quarter Update:

Region 5

- Town of Anthony is pursuing adoption of LEDA. Regional Representative is providing technical assistance
- City of Las Cruces hosted a work session for the possible passage of LOGRT. Regional Representative is working with the city.
- City of Alamogordo - voters decided to extend the gross receipt taxes extension for the city's economic development fund until 2020.

Additional Business Development or Community Development Projects by Region:

Region 1

PESCO: Company is planning to add 105 new jobs in the near future. EDD has provided an incentive analysis that includes an IRB component. The total value of state and local incentives and infrastructure investment is \$765,079. The company requested LEDA funds and is in the process of filing the application.

CD Square: CD Square has plans to reopen their facility by the end of the fiscal year. They anticipate hiring 20+ employees. Company is waiting for government contract.

El Morro Valley Co-op, Ramah: EDD continues to work with this enterprise. El Morro is looking to expand its operations from a local farmers market to begin exporting their product outside the region. They are also partnering with La Montanita as they seek funds from their loan fund. However, La Montanita requires other sources of funding. Rep is in the process of reviewing their business plan and financial statements to identify other sources in order to close the gap on their financial needs.

Region 2

Fresquez Home Health Care is a non-medical home health care company that recently opened in Santa Fe. The rep has provided the company information on business registration, licensing, permitting, and marketing. Appropriate programs with the Small Business Development Center, Regional Development Corporation and EDD have been discussed with the client and follow-up information has been provided.

Region 3

Samobi Block LLC.: Company is looking for an industrial park with an active railroad spur. They have decided to start negotiations with the Industrial park owners and with the Rio Communities city. Samobi Block manufactures prefabricated blocks that are used in the construction of homes and other buildings. EDD is participating and assisting the company with negotiations, incentives, gap financing, and technical assistance.

Region 4

Anna's Homemade Tortillas, Raton: NMSU has completed nutritional packaging and bar coding registration. Regional rep is assisting the company in registering as a potential Walmart vendor which will result in a substantial sales increase for the company.

Las Nueve Ninas Winery, Mora: Family operation has received state/federal licenses for establishment of a winery.

Fort Union Drive-In, Las Vegas: Rep is researching financing for digital film equipment in an effort to avoid shut-down of drive-in theater.

Elysium Arms, LLC, Raton: Gun barrel manufacturer is exploring JTIP once they are ready to hire. Company is establishing a website and will be hiring a sales manager for online order processing and improved marketing efforts.

Four Winds, Ltd., Raton: Gun manufacturing company is planning expansion into "silencer" manufacturing. Rep is providing an incentive and business plan analysis.

Western Wood Products, Raton: Company is going through bankruptcy reorganization and has plans to reopen the pellet mill.

Raton Range, Raton: 130 year-old newspaper closed in 2013 and sold its assets to Sangre de Cristo Chronicle in Angel Fire; retaining 10 jobs in Colfax County.

New Beginning Gun Works, Springer: Introduced owner to Four Winds in Raton to work together as both companies are gun manufacturers.

Hartley Construction, Solano: Provides stone and wood landscaping services. Open to sharing the Solano Fabrication Incubator with other manufacturing opportunities. Harding County EDO has approved buy/sell agreement and hired an appraisal company. During the 3rd quarter rep provided a lead to share facilities with patent holder seeking to manufacturer.

Assisting City of Las Vegas on EDA grant review for business park improvements and incentive application for expansion. Old Wood has shipped two out of seven containers to Kuwait.

Brown Hotel, Springer: Met with owner on the loss of ten10 jobs due to closing. Referred Office of Business Advocacy on NMENV fire suppression requirements needed for kitchen and hard wired alarms. Hotel closed and went to auction where all contents were sold but no winning bids for building. During the 3rd quarter the regional rep met with Eagle Nest Motel developer and established a network of interested parties seeking a new owner. Discussed advertising effort in Texas and Oklahoma. Recruitment information was placed in Springer brochure and new GSAEDC Website.

KGE Energy, Santa Rosa: Sandia Labs review has concluded and are working with Santa Rosa, Harding County and Springer to identify a publicly-owned building to become an incubator before site visit.

High Country Mercantile, Des Moines: Gas tank capital improvement project begun in the 2nd quarter is ready for construction. The business is waiting on Clovis contractor to begin.

Three Sisters Café, Wagon Mound: This will be the first eating establishment to open in many years in the village's historic district. The rep is currently assisting with a Preservation Grant Award from NM Historic Preservation and assisting with identification of funding a loan to finish project with a Power Purchaser Loan. Connected SBDC with owner so that they can update business plan.

San Miguel Composting, San Miguel County: This start-up has completed revisions to their business which will assist in the creation of three new manufacturing jobs and retention of trucking jobs. San Miguel County advertised in Las Vegas Optic in the process of applying for USDA funding. Regional rep made introduction to SBDC to assist with pro forma and business plan review.

Region 5

White Sands Missile Range (WSMR): Working to develop an improved protocol for communication between WSMR and surrounding EDOs (MVEDA and OCEDC). Want advance notice that private companies will be involved in testing at WSMR; an opportunity for interaction with businesses that are there; and a format for connecting companies to existing companies in the area that could supply services or partner for activity.

W Silver Recycling: El Paso based company with new facility under construction in Santa Teresa industrial park. Rep worked with the company's CPA to identify incentives to assist the company. OBA addressed questions about GRT for manufacturing activity.

Region 6

Sunland Peanut: After the Sunland Peanut bankruptcy, Ready Roast and Hampton Farms put in bids to purchase the facility. However, another company, Golden Boy Foods outbid both companies. Because this company is headquartered in Canada, we are working with the company to determine interest in New Mexico to ensure the expansion opportunities are kept locally.

AerSale: Company and the City of Roswell continue to discuss and negotiate the building of a new hangar at the Roswell International Air Center. The hangar will bring 50 immediate jobs and at least 75 in the first 2 years.

Abengoa: The regional rep put Abengoa and AgPower in contact with each to explore the possibility of AgPower supplying Abengoa with the necessary biofuel for their Portales plant. Initial conversations were very productive; both parties have NDA's and negotiations are continuing. It appears this will be a very good partnership providing jobs in at least 2 New Mexico counties.

SID International: After 6 months of working with the NM Environment Department, Sid International, dba AgPower, has received their discharge permit and construction should begin by the first of May.

Gator Hydro-Incineration, LLC: Regional Rep met with Ed Stock, Owner-Manager, about a possible location in Roswell to manufacture his product. Working with Roswell EDC on potential sites for the project.

Strategic Aerospace International, Ltd.: Had a conference call with Bruce Oaster of Strategic Aerospace International concerning their budget and capital investment into the proposed UAS training facility in Roswell. It looks like the capital investment will be between \$750K and \$1.3 Million. Plans include initial hiring of 18 employees. Follow up onsite visit and discussion of local dollars needed for facility and infrastructure improvements took place the week of March 30th.

Air Center Hangar: Regional rep met with the newly elected Mayor of Roswell to discuss the new hangar at the Roswell International Air Center. This hangar is proposed to be large enough to house an Airbus A380, which will make it the largest hangar in the US. The proposal from the engineers hired by AerSale anticipate this facility will cost an estimated \$15 million. This will create 50 jobs immediately and create an additional 25 in the first 2 years.

| Performance Measures | Targets | 1st Quarter | 2nd Quarter | 3rd Quarter | YTD Results |
|---|----------------|-------------------------------|-------------------------------|-------------------------------|--------------------|
| Number of communities certified through the certified communities initiative | 36 | 23 | 23 | 23 | 23 |
| Number of business retention and expansion surveys completed resulting in a positive outcome such as job creation, retention, or business financing | 15 | 0 | 0 | 2 | 2 |
| Number of community infrastructure projects moved to financing stage | 5 | 0 | 0 | 0 | 0 |
| Percentage of certified communities that complete community profiles and land & building inventories on NMEDD website | 100% | | | | 100% |

**Communities are certified for two years. The total number of communities certified will not change until FY15. Certifying more communities will require additional resources.*

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 develop new programs or resources, 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 1: 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 identifying economic development projects to present to the Tribal Infrastructure Fund for approval.
- Assist communities with project applications.

Goal 2: 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.

Goal 3: Conduct a survey in partnership with tribal governments that evaluates what type of businesses that currently invest on Indian lands.

Objectives:

- Develop a job creation overview of the economy in each diverse tribal community.
- Assist the Office of Indian Affairs to prepare and disseminate a report on the types of business, number of employees, breakdown of employee by affiliation (tribal/non-tribe/other), total payroll (government, Tribal enterprises), purchasing, benefits paid to all employees.

Pueblo of Jemez: A housing project has been proposed using the Pueblo's own resources such as materials and labor. For the labor component the Pueblo proposes to use their own people to build their houses thus saving in labor cost. The Pueblo will utilize primarily lumber and adobe bricks. The Pueblo owned the lumber mill (a private/public partnership), will cut and treat the lumber and will supply the material for the project. The Pueblo will also purchase a machine that will produce adobe bricks. EDD has been tasked to assist the Pueblo to further develop the lumber mill and the adobe brick manufacturing activity into a business that in the future will sustain itself and provide another source of income for the tribe.

New Mexico Rural Economic Development Council

New Mexico is a geographically large state with low population density. Only eighteen of the state's incorporated communities have a population exceeding 10,000. Many of these frontier communities are losing population and struggling to maintain their existence. They have very unique needs deserving of a voice in the state's vision for economic growth. The mission of the

Council is to identify policy and programs to ensure rural sustainability for communities with a population of less than 15,000.

Goal 1: Preserve rural quality of life and facilitate economic prosperity

Objectives:

- Identify and address policy and regulatory issues that adversely impact rural areas
- Identify sustainable target industries for rural areas such as agriculture and extractive industries
- Address entrepreneurship assistance gaps
- Promote collaboration and cooperation regionally
- Assist rural communities with various training opportunities to enhance organizational and individual capacity
- Identify and address infrastructure gaps that hinder economic development

3rd Quarter Update:

The Council met in January 27, 2014 in Santa Fe. Presented at this meeting were the following:

- Legislative Initiatives from NMEDD – Presented by Wade Jackson, General Counsel from NMEDD
- Legislative Policy Committee – Presented by Myra Pancrazio, Executive Director, Estancia Valley Economic Development
- Broadband Updates – Presented by Juan Torres, Finance Team and Eileen Yarborough, Executive Director of Cibola Counties EDC
- Liquor Task Force – Mike Espiritu, CEO/President of Otero County EDC
- Rural Business Resource Center and Go-To-Meeting Webinar – Therese Varela, ED Division Director
- Right to Farm Act – John Mulcahy, Director of Chaves County EDC

The Next NMREDC Meeting will be July 17th 2014 in Alamogordo.

As a result of the topics identified by the NMRED Council, the following initiatives have been established and undertaken by NMEDD.

- Fund It – is a coordinated initiative to assist local governments in funding infrastructure projects. In gathering together all the agencies that provide infrastructure funding we can avoid duplication and aid our communities in identifying appropriate sources for their projects. Pooling resources (informally) also allows us to leverage funding. We have branded this initiative “*New Mexico Fund It.*” The first meeting of the Fund It partners is June 4th.

Office of International Trade (OIT)

OIT promotes and facilitates the export sales of New Mexico goods and services worldwide and supports efforts to recruit foreign direct investment to New Mexico in order to assist the process of job creation, retention, and expansion throughout the state.

The Office secured an FY12 U.S. SBA STEP Grant (\$120,000 federal and \$15,000 state match) which enabled OIT to provide training and support for four foreign trade missions. The grant provided resources to organize, coordinate, and recruit companies for participation in international trade missions, trade shows and other trade events designed to gain exposure to new clients and establish effective product distribution networks overseas.

OIT will also host workshops focused on the mechanics of doing business internationally including marketing, export finance and letters of credit, export shipping and logistics, export licensing, and managing cultural differences. OIT provides individual, one-on-one export consultation to small and medium-size enterprises seeking to launch their products internationally or to diversify and expand their global reach.

Goal: Increase international trade transactions for New Mexico companies

Trade and Investment Missions conducted during the quarter:

- International Jewelry Trade Show in Tokyo, Japan from February 7-10, 2014.
- Mexico City Trade Mission from February 15-20, 2014.
- International Fuel Cell Technology trade show in Tokyo, Japan from March 3 to 6, 2014.
- New Mexico Trade Mission to Sao Paulo and Rio de Janeiro, Brazil from March 14-25, 2014.
- Australia Oil and Gas Show (AOG) from February 27-30, 2014.

New-to-Export Companies:

1. Stonewerks, Inc. of Santa Fe, NM was assisted with STEP funding a for trade show in Nuremberg, Germany and generated orders for \$75,000 worth of exports for craft cutlery items in Germany.
2. Pajarito Powders of Albuquerque, NM participated in the International Fuel Cell trade show in Tokyo, Japan under the SBA STEP Grant funding and generated \$100,000 in export orders for their fuel cell technology product line.
3. FLUTe, Inc. of Velarde, NM was able to appoint a new master distributor in Sao Paulo, Brazil with assistance from the Office of International Trade for their water and soil remediation technology process. Initial orders of \$80,000 processed with more sales to follow as the company initiates sales training programs for their distributor.
4. ASP Technology, Inc. of Albuquerque, NM participated in the New Mexico Trade Mission to Sao Paulo and Rio de Janeiro, Brazil and is in the process of installing software systems for the major Brazilian aircraft manufacturer.
5. Private Label Select, Ltd. of Taos, NM was assisted by the NM Taiwan Trade Office to locate a new distributor in Taiwan for their line of lip balm products. Initial order of \$15,000 was processed by the company along with new packaging design.

New-to-Market Companies:

1. Pajarito Powders exports to Japan represent a new market for the company.
2. Marpac, Inc. of Albuquerque, NM exported \$65,000 to Qatar in fulfillment of an order assisted by the New Mexico Middle East Trade Office for their line of adjustable fasteners for respiratory care. This sale represents their first shipment to Qatar.

| Performance Measures | Targets | 1 st Quarter | 2 nd Quarter | 3 rd Quarter | YTD Results |
|---|---------|----------------------------|----------------------------|----------------------------|----------------|
| Number of new-to-export clients identified and assisted | 10 | 5 | 3 | 5 | 13 |
| Number of existing exporters assisted in entering new markets | 10 | 4 | 3 | 2 | 9 |

Office of Business Advocacy

The Office of Business Advocacy enables business owners to break through regulatory roadblocks and red tape. It helps to navigate state government by providing assistance with permitting, licenses, inspections, and taxation issues. It also resolves challenging bureaucratic, intergovernmental, and public policy problems adversely affecting business in New Mexico. The goal is to help businesses who would not otherwise be able to hire an attorney, accountant, or lobbyist to resolve their issues with state government.

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

3rd Quarter Update

Marketing and outreach efforts included:

January - Marketing and outreach efforts included: Continued participation with NM Rural Economic Development Council, issued an update for RLD Alcohol Reform Taskforce, attended a City of Socorro client meeting and tour of Solaro Energy Corporation, and continued participation with the NM Liquor Reform Taskforce.

February – Marketing and outreach efforts included: Completed court observation requirements for full mediation certification, staffed meeting with NM State Land Office Commercial Resource Division, attended a business meeting to review OBA cases related to tax incentive issues, attended NMDOT Transportation meeting, attended the NM Procurement Reform Taskforce meeting, presented at a NM Restaurant Association education outreach event, completed the issue summary of the four primary obstacles in the state’s administration of High Wage Jobs Tax Credit reported by 78 affected companies.

March – Marketing and outreach efforts included: Presented at the annual NM Risk Managers Association meeting in Alb., presented to a national recruiting firm on the issue of permitting rules and regulations for value-add agriculture in New Mexico, staffed a conference call with Shamrock Foods as an information outreach opportunity, finalized the Enterprise Zone Credit Program description used by TRD as notification that the tax credit is inactive.

New Cases:

- | | |
|---|---|
| 1. Deloitte Financial LTD - Albuquerque | 13. Growstone - Albuquerque |
| 2. Woodmont Project (EB5) - | 14. DaVita Healthcare Partners – Las Cruces |
| 3. Big O Tires – Alamogordo | 15. Los Alamos Connect (commercial kitchen project) |
| 4. Blue Spruce Restaurant - Abiquiu | 16. Grants greenhouse project |
| 5. A1 Buildings – Alto | 17. Big Brothers/Big Sisters – Las Cruces |
| 6. Merillat – Los Lunas | 18. AIG Power – Roswell |
| 7. Murray Hotel – Silver City | 19. Artesia Capital Outlay - Artesia |
| 8. Shamrock Foods - Albuquerque | 20. TMC Design II – Las Cruces |
| 9. Rio Arriba Water Source Project | 21. AISC Steel certification project – Santa Fe |
| 10. KTECH - Albuquerque | |
| 11. Blue Heron Brew Tap Room – Espanola | |
| 12. Comfort Inn – Elephant Butte | |

Cases Solved:

1. **Rehab Suites@ Las Estancias** – The project design plans were delayed due to DOH Health Facilities Engineer retirement. In the interim OBA set up a pre-review meeting.. However, three months later the plans had yet to be approved. OBA contacted the interim DOH architect. The plans were approved within a week. The final approval was made easier due to the pre-evaluation meeting. Approximate new job creation is 150.
2. **W. Silver Recycling** – Santa Teresa referred the company for assistance with the non-taxable transaction certificates issued to the company's general contractor, who in turn was not providing the NTTC's to the construction subcontractors. TRD was the lead agency to provide clarification to the general contractor that resulted in the issue being resolved. Additionally, OBA spun-off efforts to qualify recycling companies for manufacturers' eligible tax credits.
3. **Stolar Research Center** – Referral from JTIP regarding pending Research Jobs Tax Credit application. OBA provided information regarding the application process and connected the company with TRD Business Credit Division's Bureau Chief. TRD qualified the company credits.
4. **Duel Brewery** – Referred by the Business Finance Team to arrange a pre-inspection visit by NMENV of a new food manufacturing process the company was interested in pursuing. The cost savings of having NMENV complete a pre-assessment was significant to the company. To date, OBA has coordinated five pre-assessments of value-add food processing in partnership with NMENV. In this case the company is moving forward with the facility design plans as recommended by NMENV.
5. **BayWAre** – Referral provided by Clovis EDD regarding construction and permitting rules specific to wind turbine site construction. CID's plan to develop a wind facility permitting process now recognizes that wind turbine sites are built specific to the industry and are unlike standard commercial building pad sites.
6. **Blue Spruce Bar** – Referral provided by NMEDD Regional Representative for Rio Arriba County regarding prospective new ownership. The layout of the establishment required to accommodate a restaurant was limited. OBA set up an initial meeting with NMENV that identified equipment requirements. The project is moving forward as a restaurant. Regulation and Licensing agreed at the request of OBA to work with the owner on the dining space requirements necessary to secure a beer and wine license.
7. **American Mining Co., Vaughn** – Referral directly from the business owner regarding the state's rail infrastructure plan. The company has the opportunity to expand and requested a meeting with NMDOT Rail Division to discuss planned improvements to the rail line section located in Vaughn.
8. **A1 Buildings, Alto**, –The initial referral for assistance on this issue was sent by the Governor's Office to NMEDD and subsequently assigned to OBA. The issue was a notification of closure for non-payment of taxes by TRD. OBA was able to connect the company with resources at TRD to provide assistance. Avoiding the closure of this business in Alto saved three jobs and three jobs for the location in Alamogordo.

9. **Applied Composite Engineering** – Referral from the NM Partnership for information specific to aerospace companies to identify a composite manufacturer to provide fabrication work. With the assistance of Spaceport America staff the list was updated and provided to the company. As a result three contracts were identified for contractors at White Sands Missile Range.
10. **Eclipse Aviation** – Company referral by an Albuquerque business group working to address concerns related to pending High Wage Jobs Tax Credits. TRD proved helpful in establishing that Eclipse Aviation became an entirely new entity through documented sale and reorganization as Eclipse Aerospace.
11. **PNP Innovations** –OBA worked with the newly appointed New Mexico Securities Exchange Director to support venture capital investment under less restrictive rules and requirements. Once the new venture rules were adopted the company moved forward with a successful funding request with a NM Venture Capital Investment firm.
12. **Allen Sigmon Real Estate Group** – Referral provided by Albuquerque AED for traffic study information completed by NMDOT along the Interstate and Gibson Blvd in Albuquerque. The company was moving forward with plans to conduct its own traffic study but needed DOT baseline information.
13. **Albuquerque BioScience Center** – Referral from Deputy Secretary Brazil regarding a request from the company to purchase a leased section of the building’s property from NMDOT. After twelve-months of evaluation and initial denial NMDOT agreed to the sale of the parcel.
14. **Enhanced Clean Energy Fuels** – Referral by the NM Partnership regarding the client’s need to secure a minor use permit for a natural gas to diesel conversion facility to be built in New Mexico. Initially given its classification as a power generation facility NMENV was not sure a minor source use permit could be secured. OBA facilitated two meetings with NMENV which ultimately resulted in a minor use permit for the project. The scope of the projects are not the typical \$50M facilities but instead much smaller scale facilities at a cost of less than \$15M.
15. **Big O Tire Center** – The NM Partnership referred the company corporate offices for information regarding franchise financing options for its Alamogordo location in New Mexico. NMEDD Finance Team took the lead in sending NM business financing information to the corporate offices and OBA provided the same information to the local franchise owners.
16. **Crescent Bank & Trust** – Referral from NMEDD Deputy Secretary Brazil regarding months long delay for business licensure. The licensure permit for finance institutions is not staffed through the State Corporation Commission but instead through Regulation and Licensing Department (RLD). Once OBA identified the correct agency the company was able to find and get the pending application reviewed and approved.
17. **Century Bank Los Alamos** – An OBA case generated through marketing outreach efforts with the NM Risk Managers Association. As part of the partnership with OBA the bank has joined the number of Collateral Loan Support intuitions for project financing.

18. **Sandia Heights Natural Gas Project** –NM EDD Cabinet Secretary referred a home owners issue with the Public Regulation Commission to extend natural gas service to a subdivision of homes located in Albuquerque’s Sandia Heights District. The home owners association is moving forward the process as identified in OBA’s meeting and discussions with PRC Legal Staff.
19. **WTAS** – Referred by NM Partnership and JTIP for information on the audit of business credit applications by TRD. The company also added input to the summary report related to HWJC prepared by OBA and submitted to TRD. The feedback from company and industry representatives was positive and shared with TRD.
20. **National Ballooning LTD** – National SBA Business Advocacy Association referral for assistance on behalf of the only NM balloon manufacturer. The company experienced excessive delays from FAA regarding its final license to manufacture and sell hot air balloons. OBA was able to coordinate an upcoming FAA inspection at the Albuquerque Sunport with the onsite inspection required for the balloon manufacturer which expedited the license.
21. **Blue Heron Brew Tap Room** – Referral from Northern New Mexico Connect for a new taproom seeking licensure in Rio Arriba County. OBA worked with RLD to provide instructions for taprooms to both County officials and the business owner. Notification of the license was on the County Commission agenda for approval within three weeks of initial application.
22. **Corazon Healthcare** – Company referral by an Albuquerque business group working to address concerns related to pending High Wage Jobs Tax Credits. It was through OBA that information regarding the status of the application was disseminated without compromising tax confidentiality rules. The company was then able to make decisions regarding priority system upgrades based on more accurate financial information.

| Performance Measures | Targets | 1 st Quarter | 2 nd Quarter | 3 rd Quarter | YTD Results |
|--|---------|----------------------------|----------------------------|----------------------------|-------------|
| Number of business advocacy cases opened | 100 | 22 | 25 | 21 | 68 |
| Number of business advocacy cases solved | 45 | 17 | 14 | 22 | 53 |

New Mexico Film Office

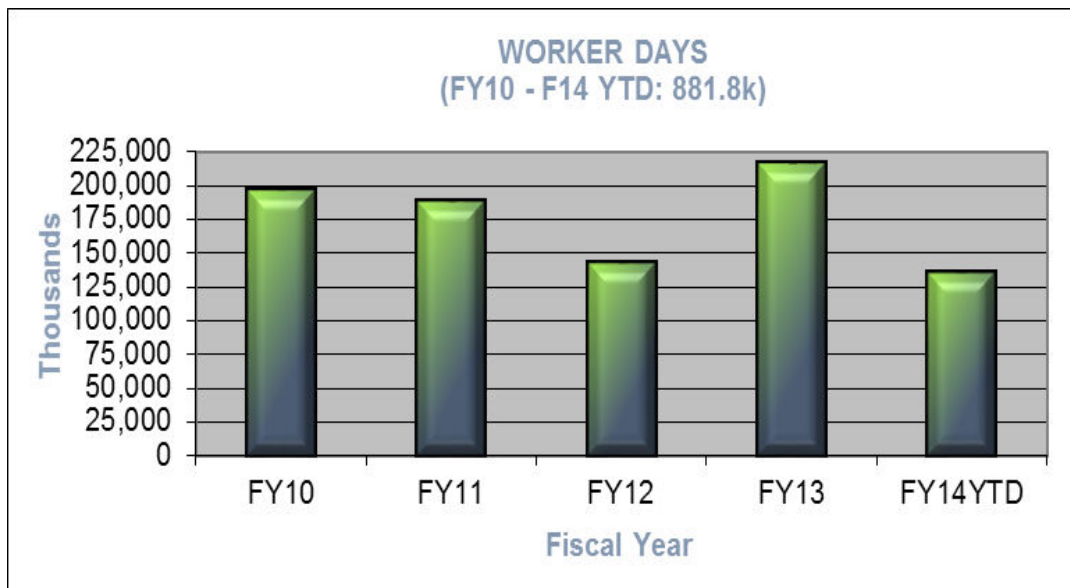
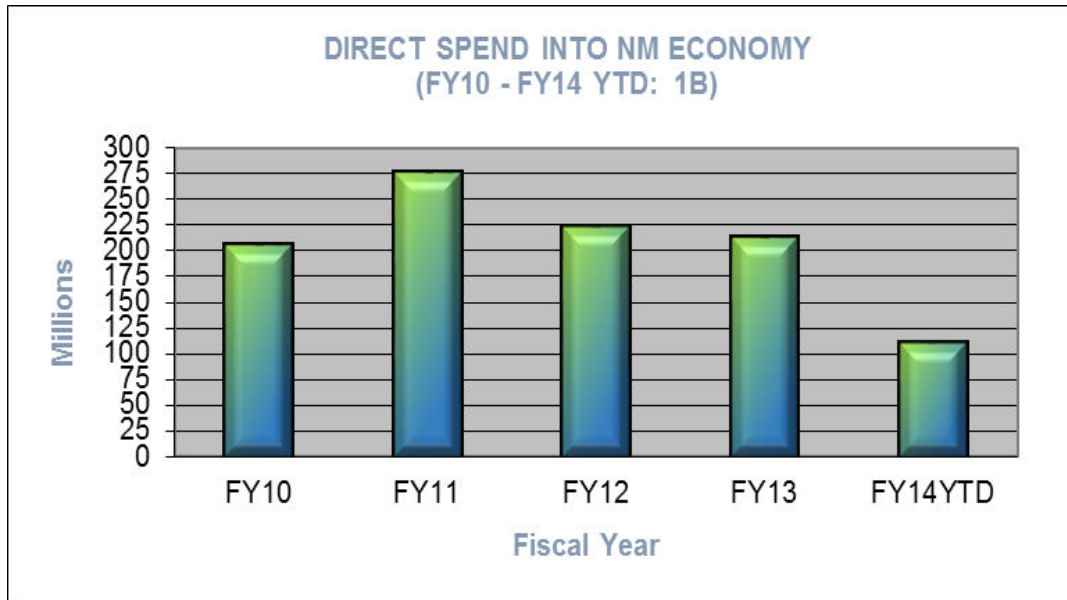
FY2014, Quarter 1, 2, 3

The NMFO continues its focus on the six categories as outlined in the 2014 fiscal year strategic plan to strengthen the division's mission. For the purposes of clarification, these categories have been consolidated into three main initiatives: Recruitment, Statewide Outreach 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.
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. There are five ways to increase the effectiveness of outreach: 1) town hall forums, regional meetings and social media to assist in educating the public on the industry and the division's resources; 2) educational program initiatives to provide opportunities to learn about film and media training available throughout New Mexico; 3) the Statewide Film Liaison Network to train designated community members in the production process and to encourage filmmaking in rural areas; 4) Film Tourism to give communities an additional way to market to visitors, to increase economic impact and to benefit from the success of the industry; and 5) the NM Filmmakers Program to create support and resources for resident filmmakers pursuing their careers in the state.
3. **Workforce Development:** programs under the Job Training Incentive Program for Film & Multimedia assist in increasing skill sets of New Mexico residents in the industry and to keep talent in-state.

Fiscal year (FY) 2013 totaled \$214 million in direct spend. The first three (3) quarters of FY14 totaled \$110.6 million in direct spend into the NM economy. New Mexico has seen increasing competition in forty-two (42) other states as well as other countries; however, we are now considered one of the most competitive in the recruitment of television series.

1. Recruitment Initiative:



Strategic Goal:

The goal is to attract production, post production and emerging media companies to New Mexico for economic growth and job creation and to increase the state's visibility in digital technologies that affect entertainment, educational and medical industries.

Objectives:

The objectives are to continue to meet with studios, major independent production companies, industry-related vendors, digital technicians and emerging media companies to review and

promote New Mexico's Refundable Film Production Tax Credit Program, locations and other state resources.

Issues: None.

Action Plan:

The NMFO continues to train a staff member in tax credit program administration and will train a new office support staff member which will allow more time to be dedicated to recruitment and marketing efforts. Several additional meetings have been conducted and will continue to take place with in-state and out-of-state industry businesses and professionals.

Quarterly Results:

Q1 – Director and staff met with several productions in the first quarter in anticipation of a significant increase in production activity for the second quarter. Senior Production Manager attended the Association of Film Commissioners International conference to engage in discussions of industry trends in recruitment and tourism, common issues for film offices and best recruitment events (e.g. American Film Market or AFM, Siggraph). Director and Sr. Production Manager continued to work with the NM Tax and Revenue department to determine potential regulations which will clarify the statute.

A contract was drafted and submitted to assist with the Emerging Media Recruitment Initiative.

Q2 – Eight (8) major productions completed production in the first two quarters of the fiscal year. Although December was not an active month, several potential productions scouted and we anticipate four announcements of upcoming projects early in quarter three. Director also participated on a panel in Los Angeles in November and attended the American Film Market to meet with Producers. Quarter two (2) also showed an increase in inquiries from Mobile Application developers. The Film Office continues to work with the Taxation and Revenue Department (NM TRD) and anticipates additional regulations for the tax credit program.

A contractor began work assisting with the Emerging Media Recruitment Initiative. A meeting was held to bring together local industry businesses and professionals to discuss the initiative. The Director and contractor have drafted a model to be implemented in the upcoming quarters.

Statistical information was submitted to the contractor awarded the RFP to analyze the Refundable Film Production Tax Credit program.

Q3 – Production activity increased with two (2) major television series going into prep and an independent feature having prepped, shot and wrapped. A fourth production began prep and will finish early in quarter four (4). Several pre-production meetings were held at local production offices in both Santa Fe and Albuquerque. Governor Martinez held a press conference at the Santa Fe University of Art & Design, announcing the television series *Manhattan*; three (3) additional press releases were distributed. As part of recruitment efforts, the Film Division successfully participated in the annual AFICI Locations Tradeshow at the end of March; this time in Century City California.

The Film Office Director continues working with the Emerging Media Contractor to develop an accelerator to assist local businesses and to recruit related entrepreneurs to New Mexico.

The Film Office Director and Senior Production Manager continue to meet with both in-state and out-of-state producers reviewing available incentives and resources. Contracted Locations Coordinator also worked with several productions and location owners regarding potential filming locations.

According to the NM TRD film page, film production refunds for the first three (3) quarters of fiscal year 2014 totaled 56 claims for \$20,762,670 and reserved payments in the amount of \$5,917,647 for a total of \$26,680,317. We anticipate the \$50 million cap will be reached by June 30, 2014, including payments towards deferments already scheduled for 2015.

2. Statewide Outreach Initiatives

Strategic Goal:

The goal is 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' careers.

Objectives:

The objectives are to develop and create outreach programs; to expand resources for the general public, educational entities, and local governments, particularly in rural communities; to research avenues to continue filmmakers' events and competitions focusing on under-represented resident filmmakers; to educate and promote understanding and accessibility of the local industry through website, emails, social media and the weekly radio show.

Issues:

Local Outreach Programs Manager completed his contract December 31, 2013. The position was posted and a new Local Outreach Programs Coordinator began work in February.

Action Plans:

Town Halls, Regional Meetings & Social Media: coordinate regional forums, free and open to the public, working with productions, local educational programs, and industry-related inquiries.

Quarterly Results:

Q1 – The next town hall, to take place in Silver City, is currently being coordinated for next quarter. The NMFO is working with the Governor's Council on Film & Multimedia to collaborate with town hall forums and related outreach.

Q2 – A successful Town Hall forum took place in Silver City mid-November. The next town hall was scheduled and will take place in Santa Fe in March or April.

Q3 – The Santa Fe town hall was postponed to later this year as the annual conference was scheduled for the end of May. Facebook audience continues to grow. The weekly, live radio show is now being hosted by the newly hired Local Outreach Programs Manager.

Education Initiative: continue support of New Mexico schools and educational programs encouraging the development of film and media careers in New Mexico.

Quarterly Results:

Q1 – The Governor’s Council on Film & Media Industries reevaluated its mission and amended subcommittees to “Outreach” and “Emerging Media,” both of which includes an educational component in consultation with the Film Office. The NMFO is also developing the next Education Summit, tentatively scheduled for the first quarter of fiscal year 2014.

Q2 – The Director also participated in CNM’s Film Advisory Committee fall meeting. The “Give Something Back” Twitter program which involves productions tweeting about the benefits of education while in-state, continues to be developed. PED was contacted in pursuit of a collaboration. Also, the month of September has been confirmed for the next Education Summit. The Senior Manager of Production also consulted with the Governor’s Council on Film & Media Industries Outreach Committee on a network for in-state educational programs related to film and media.

Q3 – The Film Office continues to work with the Governor’s Council on Film & Media on outreach to state educational programs related to film and media. The Local Outreach Programs Manager is working with the Council’s Outreach subcommittee.

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:

Q1 – The annual State Film Liaison Network meeting took place in Alamogordo in July. The Local Outreach Programs Manager began working weekly with liaisons to improve community representation through searchable online locations database.

Q2 – Three state film offices confirmed participation in the major, international industry tradeshow scheduled in March: Association of Film Commissioners (International) Locations Tradeshow 2014.

Q3 – Albuquerque, Santa Fe and Otero film offices participated in the AFCI Locations Tradeshow in Century City with the State Film Office. The Annual Statewide Film Liaison meeting in July has been confirmed to take place in Roswell.

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:

Q1 – After the Governor’s Office and the NM Tourism Department officially announced the Film Tourism initiative July 1, downloadable touring maps by regions became available on Tourism’s website under NM True Adventures Film Trails. *The Lone Ranger* kicked off the first campaign and *Breaking Bad* became featured in September. Local film tourism vendors have also been showcased on the New Mexico Film Works weekly radio show.

Q2 – Senior Manager of Production spoke at the Santa Fe Chamber meeting promoting Film Tourism. Printed maps correlating to Tourism’s website were provided to the NMFO to distribute. A meeting with Tourism was set up at the beginning of quarter three to expand on the next steps including marketing the website and initiative.

Q3 – Senior Manager of Production and the Local Outreach Programs Manager continue to meet with the Tourism Department to develop collaborations expanding on Film Tourism. The Director of the Film Office participated in a panel in Century City, an event related to the AFCL Locations Tradeshow.

NM Filmmakers Program – continue to support local filmmakers through screenings, workshops and conferences.

Quarterly Results:

Q1 – The NM Filmmakers Experience included two screenings and one discussion panel. The Filmmakers Showcase, to screen local filmmakers’ projects, was announced this quarter with the anticipation of approximately 40 submissions. The Showcase will screen and tour in quarter two (2).

Q2 – The Filmmakers Showcase travelled around the state to Albuquerque, Grants, Las Cruces, Portales, Santa Fe and Taos, screening the winning projects made by resident filmmakers.

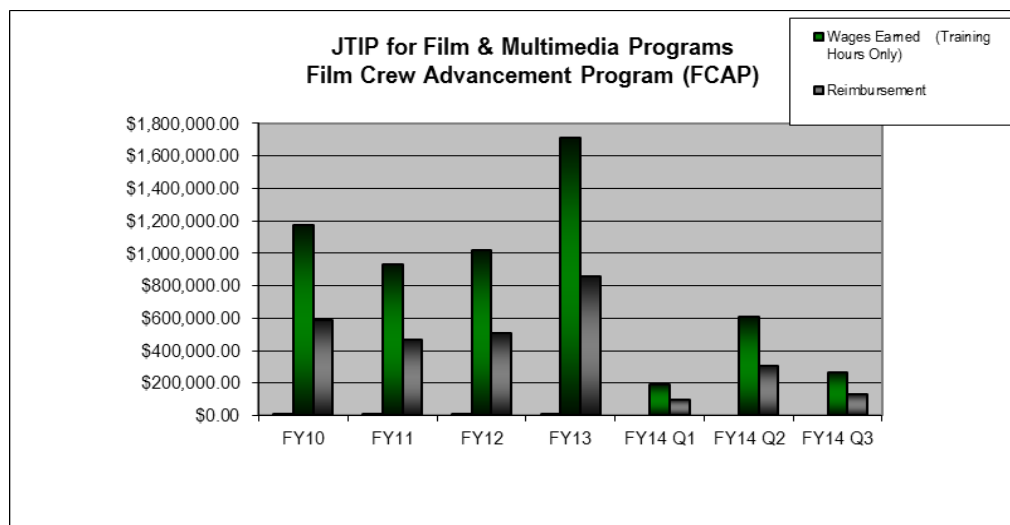
Q3 – Logistics for the second annual NM Film & Media Industry Conference began to be coordinated by the Senior Manager of Production and the Local Outreach Programs Manager.

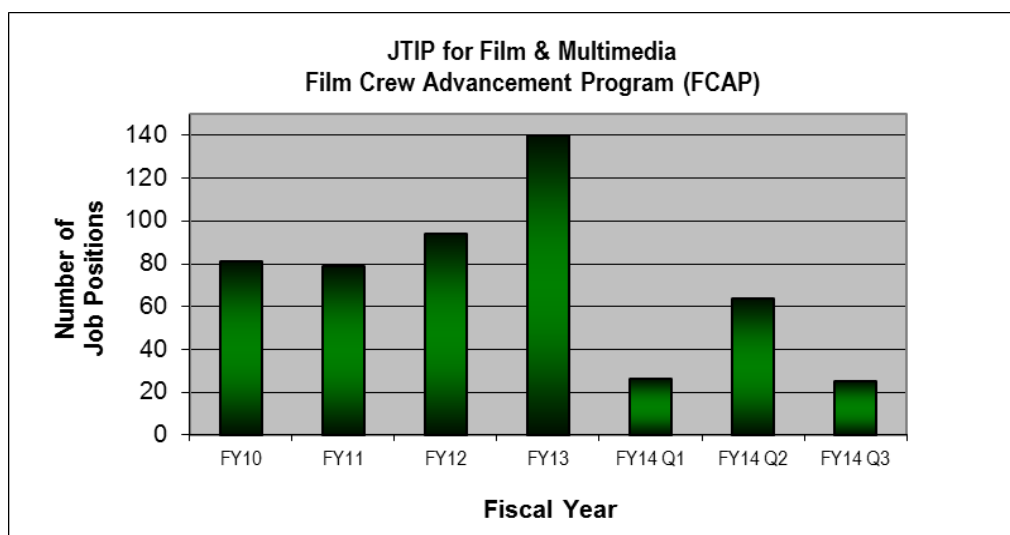
3. Workforce Development for Film & Multimedia

A. FCAP

JTIP for Film & Multimedia Programs:
Film Crew Advancement Program (FCAP)

| Fiscal Year | Number of Participating Companies | # of Job Positions | Wages Earned (Training Hours Only) | Reimbursement |
|--------------|-----------------------------------|--------------------|------------------------------------|------------------------|
| FY10 | 11 | 81 | \$ 1,173,563.06 | \$ 586,781.53 |
| FY11 | 15 | 79 | \$ 928,683.18 | \$ 464,341.59 |
| FY12 | 13 | 94 | \$ 1,017,012.72 | \$ 508,506.36 |
| FY13 | 20 | 140 | \$ 1,711,219.82 | \$ 855,609.91 |
| FY14 Q1 | 2 | 26 | \$ 194,195.94 | \$ 97,097.97 |
| FY14 Q2 | 7 | 64 | \$ 609,291.70 | \$ 304,645.85 |
| FY14 Q3 | 2 | 25 | \$ 263,267.12 | \$ 131,633.56 |
| Total | 70 | 509 | \$ 5,897,233.54 | \$ 2,948,616.77 |





Strategic 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 (crew positions who perform duties related to the film's physical production) 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 Chairperson of the Job Training Incentive Program (JTIP) Board. The objective is to increase awareness and participation of this program.

Issues:

Funding is based on an annual legislative allocation to JTIP. A new database contractor is being considered to increase streamlined reporting.

Action Plan:

In addition to web-related marketing by the Sr. Manager of Workforce Development Programs, the NMFO's Sr. Manager of Production promotes FCAP during the pre-production meetings with companies planning to film in New Mexico. Annual policy review will take place in quarter four (4) to ensure program is reflecting industry trends.

The NMFO has seen an increase in production due to the amended incentive program which now targets television series creating a better training ground for both new and seasoned resident crew. The NMFO is reassessing the crew services available in NM (and out-of-state) which will help to streamline the training process and increase NMFO's training efforts as they are identified. This will also include emerging media services. NMFO anticipates expending more JTIP FCAP reimbursement funds within this fiscal year.

Quarterly Results:

Q1 - Two (2) companies qualified for FCAP with twenty-six (26) New Mexico participants.

Operation Soundstage, a pilot program for resident military veterans, was announced by the Governor's Office this quarter and will be administered through FCAP. The multi-state agency partnership aims to increase the hiring and training of veterans and includes the New Mexico Film Office, the New Mexico Department of Veteran's Services and the New Mexico Department of Workforce Solutions.

Q2 - Seven (7) companies qualified for FCAP with sixty-four (64) New Mexico participants. The first orientation for veterans interested in the Operation Soundstage program took place in November in Albuquerque and had over sixty (60) attendees. The JTIP for Film and Multimedia administrative contract is being finalized for a contractor to begin work in the third quarter.

Q3 – Two (2) companies qualified for FCAP with and estimated twenty-five (25) New Mexico participants.

NMFO anticipates three (3) companies to participate in Q4 and two (2) companies to participate in FY15 Q1.

B. PETP

JTIP for Film & Multimedia Programs: Pre-Employment Training Program (PETP)

| Fiscal Year | Number of Workshops | # of Trainees | Reimbursement |
|--------------|---------------------|---------------|---------------------|
| FY10 | 9 | 198 | \$ 58,675.19 |
| FY11 | 3 | 33 | \$ 9,122.46 |
| FY12 | 4 | 55 | \$ 17,371.97 |
| FY13 | 4 | 80 | \$ 10,034.09 |
| FY14 Q1 | 0 | 0 | \$ 0.00 |
| FY14 Q2 | 0 | 0 | \$ 0.00 |
| FY14 Q3 | 0 | 0 | \$ 0.00 |
| Total | 20 | 366 | \$ 95,203.71 |

Since FY10, twenty (20) interactive workshops and lectures have taken place with 366 New Mexico participants. Total reimbursement is \$95, 203.71.

Strategic Goal:

Pre-employment training program (PETP) is intended to furnish qualified manpower resources for the film and multimedia industry. Three (3) sub-programs exist: a.) workshops related to below-the-line crew positions needed for the physical production of film and television; b.) shadowing of those in above-the-line job positions who influence the creative direction of film and television projects; and, c.) emerging media training of New Mexico residents in positions related to digital technologies for the entertainment industry and entertainment-related industries.

Objective:

Implemented in 2006, the intention of PETP training 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 Chairperson of the Job Training Incentive Program (JTIP) Board.

Issues:

Funding is based on an annual legislative allocation to JTIP. A new database contractor is being considered to increase streamlined reporting.

Action Plan:

Solicit contractors for four (4) workshops per fiscal year to increase the employability and job opportunities for New Mexico crew on productions planning to film in-state. Annual policy review will take place in quarter four (4) to ensure program is reflecting industry trends.

The NMFO has seen an increase of production in NM due to the amended incentive program targeting television series which creates a better training ground for both new and seasoned resident crew. The division is reassessing the crew services available in NM (and out-of-state) which will help to streamline the training process and increase NMFO's training efforts as they are identified. This will also include emerging media services. The division anticipates expending more JTIP PETP reimbursement funds this year. And, additional PETP lectures/workshops may be needed in FY14.

Quarterly Results:

Q1 - Although no workshops took place in the first quarter, additional crew specialty skills are being considered for workshops and lectures in the upcoming quarters.

Q2 - Although no workshops took place in the second quarter, additional crew specialty skills are being considered for workshops and lectures in the upcoming quarters.

Q3 - Although no workshops took place in the third quarter, additional crew specialty skills are being considered for workshops and lectures in the upcoming quarters.

| Performance Measures | Targets | 1st Quarter | 2nd Quarter | 3rd Quarter | YTD Results |
|---|----------------|-----------------------------------|-----------------------------------|-----------------------------------|------------------------|
| Number of media industry worker days | 150,000 | 65,780 | 25,230 | 44,728 | 135,738 |
| Direct spend by film and media industry production in millions* | \$225 | \$33.2 | \$25.9 | \$51.5 | \$110.6 |
| Number of film and media projects made in New Mexico** | 60 | 12 | 17 | 14 | 43 |
| Number of major film productions (total budget over one million) made in New Mexico | 15 | 4 | 4 | 4 | 12 |

**All production expenditures excluding performing artists*

***Only includes projects submitted for the incentive are counted*

Appendix

| New Mexico Economic Development Department | | | | | | |
|---|---------|---------------------|-----------|-------------|----|--------------|
| FY14 Performance Measures and Targets | Target | Quarterly Results | | | | Year to Date |
| Division & Measure | | 1 | 2 | 3 | 4 | |
| Office of the Secretary | | | | | | |
| Number of jobs created due to economic development efforts | 2,500 | 318 | 826 | 795 | | 1,939 |
| Number of rural jobs created | 1,250 | 178 | 281 | 248 | | 707 |
| Number of urban jobs created | 1,250 | 140 | 545 | 547 | | 1232 |
| Administrative Services Division | | | | | | |
| Percentage of vouchers accurately processed within 72 hours | 75% | Annual Calculation | | | | |
| Office of Business Advocacy | | | | | | |
| Number of business advocacy cases opened | 100 | 22 | 25 | 21 | | 68 |
| Number of business advocacy cases solved | 45 | 17 | 14 | 22 | | 53 |
| Economic Development Division | | | | | | |
| Number of jobs created through business expansions | 600 | 64 | 511 | 458 | | 1,033 |
| Number of business expansions assisted | 40 | 12 | 16 | 14 | | 42 |
| Number of rural located business expansions assisted | 12 | 4 | 7 | 3 | | 14 |
| New Mexico Economic Development Partnership | | | | | | |
| Number of jobs created through business relocations facilitated by the economic development partnership | 1,700 | 20 | 270 | 124 | | 414 |
| Number of business relocations facilitated by the economic development partnership | 9 | 1 | 3 | 4 | | 8 |
| Average annual cost per economic development partnership job created | \$518 | Annual Calculation | | | | |
| MainStreet | | | | | | |
| Number of communities participating in MainStreet | 25 | 27 | 27 | 27 | 27 | 27 |
| Number of jobs created by MainStreet | 600 | 184 | 156 | 172 | | 512 |
| Dollars of private sector investment in MainStreet districts (in millions) | \$9 | \$5,170,004 | \$393,607 | \$3,202,971 | | \$8,766,582 |
| Number of new businesses in MainStreet districts | 140 | 24 | 17 | 50 | | 91 |
| Number of building rehabilitations completed in MainStreet Districts | 150 | 56 | 20 | 44 | | 120 |
| Financial Development Team | | | | | | |
| Number of capital outlay projects funded | 8 | 0 | 0 | 0 | | 0 |
| Number of businesses provided technical assistance resulting in a funding package and job creation | 5 | 0 | 2 | 3 | | 5 |
| Community, Business, and Rural Development Team | | | | | | |
| Number of communities certified through the certified communities initiative | 36 | 23 | 23 | 23 | | 23 |
| Number of business retention and expansion surveys completed resulting in a positive outcome such as job creation, retention, or business financing | 15 | 0 | 0 | 2 | | 2 |
| Number of community infrastructure projects moved to financing stage | 5 | 0 | 0 | 0 | | 0 |
| Percentage of certified communities that complete community profiles and land & building inventories on NMEDD web site | 100% | 100% | 100% | 100% | | 100% |
| Job Training Incentive Program | | | | | | |
| Number of workers trained by the job training incentive program (JTIP) | 1,000 | 64 | 82 | 693 | | 839 |
| Number of rural businesses participating in JTIP | 8 | 4 | 3 | 1 | | 8 |
| Number of businesses participating in JTIP | 28 | 13 | 12 | 13 | | 38 |
| Average annual cost per job training incentive program trainee* | \$4,600 | \$11,239 | \$11,237 | \$5,788 | | |
| Average hourly wage of jobs funded by JTIP | \$20 | \$22.24 | \$23.04 | \$17.04 | | |
| Percent of employees whose wages were subsidized by the job training incentive program still employed by the company after one year. | 66% | Annual Survey | | | | |
| Office of International Trade | | | | | | |
| Number of new-to-export (NTE) clients identified and assisted | 10 | 5 | 3 | 5 | | 13 |
| Number of existing exporters assisted in entering new markets | 10 | 4 | 3 | 2 | | 9 |
| Number of international organization for standardization (ISO) trained businesses | 15 | 0 | 0 | 4 | | 4 |
| Office of Science and Technology | | | | | | |
| Number of jobs created by commercialization, energy, and high tech industries | 100 | | | | | |
| Film Office | | | | | | |
| Number of media industry worker days | 150,000 | 65,780 | 25,230 | 44,728 | | 135,738 |
| Direct spend by film and media industry productions in millions | \$225 | \$33.2 | \$25.9 | \$51.5 | | \$110.6 |
| Number of film and media projects made in New Mexico | 60 | 12 | 17 | 14 | | 43 |
| Number of major film productions (total budget over one million) made in New Mexico | 15 | 4 | 4 | 4 | | 12 |
| Office of Military Base Planning and Support | | | | | | |
| Number of military units | 10 | Reportedly Annually | | | | |
| Number of community support organizations | 8 | | | | | |
| Number of communities | 8 | | | | | |
| *Greater than \$2,500 is a positive indicator of higher wages paid to the trainee | | | | | | |

| NEW MEXICO ECONOMIC DEVELOPMENT DEPARTMENT FY14 COMPANIES ASSISTED IN CREATING NEW JOBS | | | | | | | | | | | | |
|---|---------------------------------------|---------------|----------------------|---------------------------|--------------|-----------|-------------|------------|------------|----------|----------------|------------|
| First Quarter: July 1 through September 30, 2013 | | | | | | | | | | | | |
| 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 |
| @Pay LLC | electronic payment technology | Albuquerque | 7/12/2013 | JTIP | | | 7 | | | | 7 | |
| Plenish | private label skin care manufacturing | Taos | 7/12/2013 | JTIP | | | | 2 | | | | 2 |
| W Silver Recycling | metal recycling | Santa Teresa | 7/22/2013 | NMP | | 20 | | | | | | 20 |
| Twin Cities | logistics & distribution | Santa Teresa | 7/22/2013 | OFS | | 50 | | | | | | 50 |
| Ideum, Inc. | computer-based exhibits | Corrales | 8/9/2013 | JTIP | | | | 5 | | | | 5 |
| MSDSPro, LLC | chemical management software | Rio Rancho | 8/9/2013 | JTIP | | | 1 | | | | 1 | |
| JackRabbit Systems, Inc. | online travel services | Santa Fe | 9/13/2013 | JTIP | | | 6 | | | | 6 | |
| Lavu, Inc. | restaurant point of sale software | Albuquerque | 9/13/2013 | JTIP | | | 10 | | | | 10 | |
| CTS Electronic Components | electronic component manufacturing | Albuquerque | 9/13/2013 | JTIP | | | 3 | | | | 3 | |
| Knockout Mtl Wrx, LLC | precision machining | Albuquerque | 9/13/2013 | JTIP | | | 2 | | | | 2 | |
| P4Q USA | electronics manufacturing | Albuquerque | 9/13/2013 | JTIP | | | 13 | | | | 13 | |
| Qynergy Corporation | new technology R&D | Albuquerque | 9/13/2013 | JTIP | | | 1 | | | | 1 | |
| Leprino Foods | mozzarella cheese processor | Chaves County | 9/13/2013 | JTIP | | | | 13 | | | | 13 |
| PPC Solar | solar system installation | Taos | 9/13/2013 | JTIP | | | | 1 | | | | 1 |
| MainStreet (see report in Appendix) | | | | | | | | | | | 97 | 87 |
| TOTALS FOR 1ST QUARTER | | | | | 0 | 70 | 43 | 21 | 0 | 0 | 140 | 178 |
| Second Quarter: October 1 through December 31, 2013 | | | | | | | | | | | | |
| Canon IT | customer service center | Albuquerque | 10/7/2013 | OFS | 150 | | | | | | 150 | |
| AGPower | biomethane production | Dexter | 10/18/2013 | NMP | | 20 | | | | | | 20 |
| Leprino Foods | cheese processing | Roswell | 10/18/2013 | CBRDT | | | | 13 | | | | 13 |
| Stewart Industries | aircraft salvage and recycling | Roswell | 10/18/2013 | NMP | | | | 50 | | | | 50 |
| Dean Baldwin Painting | aircraft painting | Roswell | 10/18/2013 | CBRDT | | | | 100 | | | | 100 |
| Prime Therapeutics | pharmacy management services | Albuquerque | 10/18/2013 | JTIP | | | 47 | | | | | |
| Blue Heron Tap Room | brewery expansion | Espanola | 11/1/2013 | FDT | | | | 1 | | | | 1 |
| xF Technologies | biomass fuel production | Albuquerque | 11/27/2013 | JTIP | | | 1 | | | | 1 | |
| nanoMR | medical device development | Albuquerque | 11/27/2013 | JTIP | | | 3 | | | | 3 | |
| CustomerCentrix | web software development | Albuquerque | 11/27/2013 | JTIP | | | 3 | | | | 3 | |
| Qynergy Corporation | new technology R&D | Albuquerque | 11/27/2013 | JTIP/Internship | | | 2 | | | | 2 | |
| ClosedWon LLC | web technology development | Albuquerque | 11/27/2013 | JTIP | | | 2 | | | | 2 | |
| General Dynamics Information Tech | back office support | Las Cruces | 12/2/2013 | NMP | | | 200 | | | | 200 | |
| Duel Brewing | brewery expansion | Santa Fe | 12/1/2013 | FDT | | | 1 | | | | 1 | |
| Titan Aerospace Holdings | UAS manufacturing | Moriarty | 12/13/2013 | JTIP | | | | 11 | | | | 11 |
| FRST Inc. | design and manufacture UAS | Alamogordo | 12/13/2013 | JTIP | | | | 1 | | | | 1 |
| Ultramain Systems, Inc. | integrated logistics software | Albuquerque | 12/13/2013 | JTIP | | | 10 | | | | 10 | |
| Cummins Natural Gas Engines | engine design & manufacturing | Clovis | 12/13/2013 | JTIP | | | | 2 | | | | 2 |
| Eclipse | aviation manufacturer | Albuquerque | 12/20/2013 | OFS | 100 | | | | | | 100 | |
| MainStreet (see quarterly report) | | | | | | | | | | | 73 | 83 |
| TOTALS FOR 2ND QUARTER | | | | | 250 | 20 | 269 | 178 | 0 | 0 | 545 | 281 |

| New Mexico Economic Development Department | | | | | | |
|---|---------|----------|---------|---------|---------|-------------|
| Historical Performance Results | | | | | | |
| Division & Measure | FY2009 | FY2010 | FY2011 | FY12 | FY13 | YTD FY14 |
| Office of the Secretary | | | | | | |
| Number of rural & urban jobs created | 4,570 | 2,763 | 1,922 | 2,684 | 3,093 | 1,939 |
| Number of rural jobs created | 1,641 | 1,446 | 958 | 1,542 | 1,440 | 707 |
| Number of urban jobs created | 2,929 | 1,317 | 964 | 1,142 | 1,653 | 1,232 |
| Office of Business Advocacy | | | | | | |
| Number of business advocacy cases opened | | | | | 75 | 68 |
| Number of business advocacy cases solved | | | | | 58 | 53 |
| New Mexico Partnership | | | | | | |
| Number of jobs created through business relocations facilitated by the Economic Development Partnership (EDP) | 2,225 | 767 | 499 | 657 | 244 | 414 |
| Number of company relocations (NMEDP) | 7 | 6 | 6 | 6 | 6 | 8 |
| Average annual cost per EDP job created | | | | \$913 | \$2,582 | ** |
| Economic Development Division | | | | | | |
| Jobs created by business expansions | 554 | 626 | 498 | 605 | 553 | 1033 |
| Number of business expansions | 42 | 49 | 40 | 35 | 57 | 42 |
| Number of urban business expansions | 36 | 36 | 32 | 25 | 40 | 28 |
| Number of rural business expansions | 6 | 13 | 8 | 10 | 17 | 14 |
| New Mexico MainStreet | | | | | | |
| Jobs created by MainStreet* | 549 | 681 | 598 | 592 | 529 | 512 |
| Number of communities participating in MainStreet | 24 | 23 | 22 | 23 | 23 | 27 |
| Dollars of private sector investment in MainStreet districts | \$9.2M | \$37.8M | \$9.3M | \$11.2M | \$22.7M | \$8.76 |
| Number of new businesses in MainStreet districts | 190 | 113 | 140 | 133 | 102 | 91 |
| districts | 117 | 170 | 167 | 141 | 86 | 120 |
| Community, Business and Rural Development Team | | | | | | |
| Number of certified communities | 39 | 40 | 38 | 36 | 23 | 23 |
| Job Training Incentive Program (JTIP) | | | | | | |
| Number of workers trained by JTIP | 1,469 | 1,181 | 613 | 1,015 | 844 | 839 |
| Number of rural companies participating in JTIP | 6 | 9 | 5 | 9 | 16 | 8 |
| Number of businesses participating in JTIP | 44 | 35 | 34 | 32 | 49 | 38 |
| Average annual cost of JTIP trainee | \$8,057 | \$10,145 | \$5,468 | \$4,600 | \$7,910 | ** |
| Average wage of jobs funded through JTIP | \$18.24 | \$22.43 | \$18.74 | \$16.30 | \$18.46 | ** |
| Office of International Trade | | | | | | |
| Number of new-to-export clients identified and assisted | | | | | 9 | 13 |
| Number of existing exporters assisted in entering new markets | | | | | 14 | 9 |
| Film Office | | | | | | |
| Number of media industry worker days | 162,190 | 142,524 | 181,366 | 143,046 | 216,461 | 135,738 |
| Direct spend by film and media industry productions in millions | \$260.2 | \$206.4 | \$276.7 | \$224.6 | \$213.7 | \$110.6 |
| Number of films & media projects principally photographed in New Mexico | 89 | 109 | 96 | 61 | 53 | 43 |
| Number of major film productions made in NM (\$1M+) | | | | 14 | 21 | 12 |
| *Detailed in MainStreet report; **Calculated annually | | | | | | |

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

From: Steve Vierck, President and CEO/NMP

Date: April 18, 2014

Subject: New Mexico Partnership Third Quarter Report FY2013-14 Report

It was a good quarter for completed projects and employment generated from new facilities. The prospect pipeline has continued to grow and many projects have advanced in their respective site selection processes. The number of leads, qualified prospects, and site visits all exceed year-to-date performance metrics. The outlook for the remainder of 2014 continues to be very promising taking into account these activity indicators.

Sales Missions:

Three successful sales missions were taken during the quarter to the following regions with the number of meetings with corporations and site consulting firms indicated.

Regional economic development groups participating in the sales missions included Mesilla Valley Economic Development Alliance (MVEDA), Albuquerque Economic Development, and Roswell-Chaves County EDC.

- Southern California (10)
- Phoenix (9)
- Dallas (7)

Trade Shows/Industry Conferences:

It was a busy quarter for NMP participation in trade shows/industry conferences with the following events:

- Outdoor Retailer(outdoor products) /Salt Lake City
- Site Selectors Guild/Denver
- Modex (transportation and logistics)/Atlanta

Participating New Mexico EDC's included MVEDA, Regional Development Corporation, City of Santa Fe and Santa Fe County.

Updated sales sheets on New Mexico's advantages for Outdoor Products and Transportation, Distribution, and Logistics were developed.

Website:

Mudhouse Advertising was engaged and commenced work on a major website overhaul and upgrade.

Prospect Data Base:

Continued monthly progress was made on an important NMP objective to improve our lists of industry-specific contacts. NMP contractor Jack Allston/JBA and Associates delivered monthly listings of companies within target sectors which have been integrated into sales missions and trade show meeting lists. California and Illinois small-to-mid-sized manufacturers were included.

NMP contractor Global Perspectives Integrated continued to expand and refine for potential recruitment the lists of maquila suppliers as well as west Texas companies whose leases are nearing completion.

Research:

Increasing cost comparison use for prospects was made of MetroComp software purchased during the first quarter from Applied Economics. This will be an on-going collaborative research initiative between NMEDD and NMP under a cost sharing agreement. NMEDD purchased data for an additional rural counties not covered in the initial purchase.

Communication:

Top Prospect reports are being updated monthly. In addition, an in-depth analysis of key selection factors of Prospective Recruitment Opportunities projects handled over the past two years was completed and sent to economic development corporations and NMEDD. NMEDD and NMP collaborated on and sent to local and regional economic development organizations a list of useful data sources for PRO responses. Meetings were held on at least a monthly basis with senior NMEDD staff to review prospect status.

Private Sector Fundraising:

Promising fundraising meetings were held with Comcast, Lockheed, and Conoco Phillips. An annualized total of \$80,000 has been raised thus far under three year commitments with an additional \$15,000 in annualized in-kind contributions.

3rd Quarter Results:

It was a very good quarter for new locates/competitive expansions as well as prospect pipeline development. Seven projects were completed and have met the conditions of NMP locate protocol conditions. Two are still awaiting formal announcements by the Administration*.

Leads: 124

Prospect Recruitment Opportunities (PRO's): 20

Site Visits: 6

Locates: 4

Project Wagon/Stagecoach is a trucking logistics operation desiring access to the U.S./Mexico border and rail service. Santa Teresa proved to be the perfect location. The project closed on January 23rd and was announced by Governor Martinez on March 6, 2014. Stagecoach will create 9 new jobs.

Project Titanium/David H. Fell & Company (DHF) is a small metal foundry and advanced manufacturing facility with applications of precious metals in a wide range of products relocating from California. The company has purchased a building in Rio Rancho and will create 50 jobs. Governor Martinez and Secretary Barela announced the project on February 13, 2014

Project Mar/Transmaritime is a logistics company that stores and moves ocean freight containers that has relocated to Santa Teresa creating 15 jobs. Transmaritime closed on a land purchase on February 4th and the project was announced on March 6, 2014.

Project Bert/ERO Enterprises provides container storage, as well as mechanical services for rail-related business. The company purchased six acres (closed on February 12th) in the Santa Teresa Intermodal Park where it will establish a terminal for business. Governor Martinez and Secretary Barela announced the project on March 6, 2014 and the company will create 50 new jobs over the next three years.

Total Jobs: 50 urban and 74 rural = 124

At least two additional projects will be announced in the fourth quarter.

New Mexico MainStreet Quarterly Report Matrix
January - March 2014

| | 1A | 1B | 1C | 2 | 3 | 3A | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|----------------|-------------------------------|------------------------------|---------------------------------|---|---|----------------------------------|----------------------------------|--|--|--|--|-------------------------|----------------------------|
| Community | No. of Businesses Added | No. of Businesses Lost | No. of Net New Businesses | No. of Private Business Expansions | No. of Private Building Rehabs | No. Receiving Design Asst. | Private Reinvestment (2+3) | No. of Public Sector Improvements | Public Sector Improvement Dollars | No. of Public/ Private Projects | Public/ Private Project Dollars | No. of New Bldgs. | New Building Dollars |
| | | | | | | | | | | | | | |
| Artesia | 3 | | 3 | | | | | 1 | \$48,337 | | | | |
| Barelas | 1 | | 1 | | | | | | | | | | |
| Belen | 3 | 1 | 2 | 1 | 2 | | \$460,000 | | | | | | |
| Carlsbad | 2 | | 2 | | 1 | | \$12,000 | 1 | \$449,447 | | | | |
| Clayton | | | | | | | | | | | | | |
| Clovis | 8 | 3 | 5 | | 2 | | \$17,000 | 1 | \$75,000 | | | | |
| Corrales | 1 | 1 | | | | | | | | | | | |
| DAT - Abq | 7 | 1 | 6 | 1 | 7 | | \$2,392,785 | | | | | | |
| Deming | 2 | 3 | -1 | 1 | 2 | | \$2,000 | | | | | | |
| Farmington | 1 | | 1 | | 1 | | \$10,000 | 1 | \$30,000 | | | | |
| Gallup | 8 | 2 | 6 | | | | | | | | | | |
| Grants | | | | | | | | | | | | | |
| Harding County | | | | | 1 | | \$800 | | \$114,197 | | | | |
| Las Cruces | 3 | | 3 | | | | | | | | | | |
| Las Vegas | | | | | 1 | | \$10,000 | | | | | | |
| Los Alamos | 10 | 3 | 7 | | 3 | | \$64,000 | 1 | \$24,622 | | | | |
| Lovington | 2 | | 2 | | 4 | | \$44,000 | | | | | | |
| Nob Hill - Abq | 2 | 2 | | 1 | | | | | | | | | |
| Portales | 1 | | 1 | | | | | | | | | | |
| Raton | | | | | | | | | | | | | |
| Roswell | | | | | | | | | | | | | |
| Silver City | 5 | | 5 | | 6 | | \$56,686 | | | 1 | 46000 | | |
| South Valley | 6 | 3 | 3 | | | | | | | | | | |
| Taos | 2 | 2 | | 2 | 2 | | \$100,500 | 1 | \$15,000 | 2 | 2072 | | |
| T or C | 5 | 1 | 4 | | 12 | | \$33,200 | | | | | | |
| Tucumcari | | | | | | | | | | | | | |
| Zuni | | | | | | | | | | | | | |
| TOTALS | 72 | 22 | 50 | 6 | 44 | 0 | \$3,202,971 | 6 | \$756,603 | 3 | \$48,072 | 0 | \$0 |

| Continued | 11A | 11B | 11C | 12A | 12B | 12C | 12D | 13A1 | 13A2 | 13B1 | 13B2 |
|----------------|-------------------------|------------------------|--------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|-----------------------------|---|-------------------------|--|
| Community | No. of Jobs Added | No. of Jobs Lost | Net New Jobs | 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 |
| | | | | | | | | | | | |
| Artesia | 14 | | 14 | | | | | 1 | \$3,000 | | |
| Barelas | 1 | | 1 | 1 | \$150,000 | | | | | | |
| Belen | 19 | 1 | 18 | | | | | | | | |
| Carlsbad | 4 | | 4 | | | 1 | \$10,000 | 2 | | | |
| Clayton | | | | | | 2 | \$15,000 | | | | |
| Clovis | 11 | 3 | 8 | 1 | \$175,000 | | | | | | |
| Corrales | 2 | 3 | -1 | | | | | | | | |
| DAT - Abq | 22 | 3 | 19 | | | 5 | \$17,500 | 2 | \$500 | | |
| Deming | 5 | 2 | 3 | | | 1 | \$13,000 | 1 | | | |
| Farmington | 4 | | 4 | | | | | | | | |
| Gallup | 15 | 3 | 12 | | | | | 3 | | | |
| Grants | | | | | | | | 1 | \$839 | | |
| Harding County | | | | | | | | 1 | \$800 | | |
| Las Cruces | 33 | | 33 | | | | | 4 | | | |
| Las Vegas | | | | | | 1 | \$14,700 | | | | |
| Los Alamos | 23 | 3 | 20 | | | | | | | | |
| Lovington | 18 | | 18 | 3 | \$14,600 | | | | | 1 | |
| Nob Hill - Abq | 16 | 6 | 10 | 1 | \$11,000 | 2 | \$2,000 | | | | |
| Portales | 2 | | 2 | | | 4 | \$10,150 | 3 | \$228 | | |
| Raton | | | | | | | | | | | |
| Roswell | | | | | | | | | | | |
| Silver City | 15 | | 15 | | | | | 1 | \$2,000 | | |
| South Valley | 12 | 29 | -17 | | | 1 | \$50 | 1 | | | |
| Taos | 8 | 17 | -9 | | | | | 7 | \$320 | 3 | |
| T or C | 24 | 6 | 18 | | | | | | | | |
| Tucumcari | | | | | | | | | | | |
| Zuni | | | | | | | | | | | |
| TOTALS | 248 | 76 | 172 | 6 | \$350,600 | 17 | \$82,400 | 27 | \$7,687 | 4 | \$0 |

| Continued | 14A | 14A | 15 | 16A | 16B |
|----------------|--------------------------------------|-------------------------------------|--------------------|------------------------|--------------------------|
| Community | No. of Housing Units Rental | No. of Housing Units Owner | Volunteer Hours | Buildings Purchased | Bldg Purch Price (\$) |
| | | | | | |
| Artesia | | | 217 | | |
| Barelas | | | 420 | 1 | \$220,000 |
| Belen | | | 72 | | |
| Carlsbad | | | 171 | | |
| Clayton | | | 296 | | |
| Clovis | | | 383 | 1 | \$135,000 |
| Corrales | | | 195 | | |
| DAT - Abq | 71 | | 104 | 1 | |
| Deming | | | 289 | | |
| Farmington | | | 126 | | |
| Gallup | | | 104 | | |
| Grants | | | 177 | | |
| Harding County | | | 339 | | |
| Las Cruces | | | 215 | | |
| Las Vegas | | | 398 | | |
| Los Alamos | | | 795 | | |
| Lovington | | | 302 | 1 | \$50,000 |
| Nob Hill - Abq | | | 306 | | |
| Portales | | | 190 | | |
| Raton | | | | | |
| Roswell | | | 300 | | |
| Silver City | | | 177 | | |
| South Valley | | | 57 | | |
| Taos | | | 1660 | 2 | \$150,000 |
| T or C | | | 224 | 2 | \$82,000 |
| Tucumcari | | | | | |
| Zuni | | | 139 | | |
| TOTALS | 71 | 0 | 7,656 | 8 | \$637,000 |

| | | | | | | | | | |
|-----------------------------------|--------------------|--------------------------------------|--|--------------------|----------------------|-------------------------|---------------------------------|--------------------|--|
| FY14 LEDA Capital Outlay Projects | <u>City/County</u> | <u>Project Name</u> | <u>Description</u> | <u>Direct Jobs</u> | <u>Retained Jobs</u> | <u>Private Leverage</u> | <u>Public or Other Leverage</u> | <u>Awarded</u> | |
| | San Miguel County | Martinez Meats | Meat Processing Facility - Infrastructure improvements for Cooler Addition | 3 | 8 | \$1,000,000 | | \$75,000.00 | |
| | Navajo Nation/Dine | Raytheon | Missile Systems Company - Architectural services for the expansion of a 40,000 sq ft. warehouse. | | 42 | | \$5,500,000 | \$200,000.00 | |
| | Alamogordo | First Research Science & Tech (FRST) | UGV Project - designer, manufacturer and assembler of integrated, cross-domain unmanned aerial, ground and maritime systems for military and civilian applications | 24 | | \$2,000,000 | | \$250,000.00 | |
| | Albuquerque | Eclipse | Aviation Manufacturer & Assembly- facility and project development costs | 100 | | \$2,500,000 | | \$397,014.00 | |
| | San Miguel County | Intergalactica | Food processing facility - refurbishment of existing building into a certified food processing establishment/infrastructure | 1 | | \$245,000 | | \$15,000.00 | |
| | Albuquerque | Canon ITS | Technical and customer service facility – real property and project development costs | 150 | | \$5,000,000 | | \$250,000.00 | |
| | Rio Rancho | DHF | Metal Manufacturing – renovations and infrastructure improvements to facility | 50 | | \$3,000,000 | | \$200,000.00 | |
| | Taos | Taos County EDC | Commercial Food Kitchen improvements to floor and roof to meet USDA standards | 20 | 250 | | | \$100,000.00 | |
| | Clayton | Luna Theater | Historic Theater/Cultural Facility Initiative - complete the renovation to existing building | | 2 | \$350,000 | | \$100,000.00 | |
| | Las Cruces | CN Wire | Manufacturing- copper wire facility | 195 | | \$70,000,000 | | \$1,712,986.00 | |
| | | | | 543 | 302 | \$84,095,000 | \$5,500,000 | \$3,300,000 | |

JTIP Quarterly Report

FY14 - 3rd Quarter

January

| Company | Obligated | Jobs | RPH | City | County | Rural | Urban | Cost/Trainee | Begin Date | Co. Type |
|--------------------------------|--------------|------|-------|-------------|------------|-------|-------|--------------|------------|-----------|
| Solaro Energy, Inc. | 36,392.00 | 5 | 12.60 | Socorro | Socorro | x | | | 1/10/2014 | Expansion |
| Yfab, Inc. | 105,794.00 | 6 | 32.42 | Albuquerque | Bernalillo | | x | | 1/10/2014 | Expansion |
| ClosedWon, LLC | 80,748.24 | 4 | 34.86 | Albuquerque | Bernalillo | | x | | 1/10/2014 | Expansion |
| Lowe's Customer Support Center | 1,761,645.00 | 422 | 15.85 | Albuquerque | Bernalillo | | x | | 1/10/2014 | Expansion |
| TriLumina Corporation | 41,857.92 | 2 | 36.16 | Albuquerque | Bernalillo | | x | | 1/10/2014 | Expansion |
| Total | 2,026,437 | 439 | #REF! | | | | | 4,616.03 | | |

February

| Company | Obligated | Jobs | RPH | City | County | Rural | Urban | Cost/Trainee | Begin Date | Co. Type |
|-------------------------------------|------------|------|-------|-------------|------------|-------|-------|--------------|------------|-----------|
| HT MicroAnalytical, Inc. | 22,313.00 | 1 | 37.26 | Albuquerque | Bernalillo | | x | | 2/14/2014 | Expansion |
| Alliance Data Systems, Inc. | 738,788.00 | 181 | 13.32 | Rio Rancho | Sandoval | | x | | 2/15/2014 | Expansion |
| DHF Technical Products | 173,412.00 | 25 | 14.97 | Rio Rancho | Sandoval | | x | | 2/16/2014 | Location |
| National Water Services, Inc. | 6,544.00 | 1 | 16.50 | Santa Fe | Santa FE | | x | | 2/17/2014 | Expansion |
| Vitality Works, Inc. | 53,252.00 | 3 | 30.45 | Albuquerque | Bernalillo | | x | | 2/18/2014 | Expansion |
| Ultramain Systems, Inc. | 16,000.00 | | | Albuquerque | Bernalillo | | x | | 2/19/2014 | Intern-3 |
| Ultramain Systems, Inc. (Amendment) | 45,199.04 | 4 | 22.12 | Albuquerque | Bernalillo | | | | 2/20/2014 | Expansion |
| Total | 1,055,508 | 215 | #REF! | | | | | 4,909.34 | | |

March

| Company | Obligated | Jobs | RPH | City | County | Rural | Urban | Cost/Trainee | Begin Date | Co. Type |
|-------------------------|-----------|------|-------|-------------|------------|-------|-------|--------------|------------|-----------|
| xF Technologies | 113,521 | 7 | 26.15 | Albuquerque | Bernalillo | | x | | 3/14/2014 | Expansion |
| National Water Services | 9,694 | 1 | 17.25 | Santa Fe | Santa Fe | | x | | 3/14/2014 | Expansion |
| Bendix King | 788,712 | 28 | 49.19 | Albuquerque | Bernalillo | | x | | 3/14/2014 | Expansion |
| Total | 911,927 | 36 | #REF! | | | | | 25,331.31 | | |

| | Obligation | Companies | Jobs | Ave. Wage | Rural | Urban | Cost per Trainee |
|-------------------------|-----------------|-----------|------|-----------|-------|-------|------------------|
| Total FY13 -3rd Quarter | \$ 3,993,872.20 | 13 | 690 | \$ 17.04 | 1 | 13 | \$ 5,788 |

Note: Ultramain Systems February project is for 3 internships which are not counted in job creation numbers.