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EDD Initiatives Support 13,000 Jobs in 4 Years

2022 saw new film partnership, higher wages, strategic investments to diversify the economy

SANTA FE, N.M. – The Economic Development Department reported today that its key job-creation initiatives, JTIP and LEDA, helped create approximately 13,000 jobs since Jan. 1, 2019, the beginning of Governor Michelle Lujan Grisham's administration.

In the past four years, the New Mexico Economic Development Department (EDD) has utilized the Local Economic Development Act (LEDA) to make investments in 60 businesses, supporting more than 8,500 new jobs at an average wage of \$64,756. - up 20% from 2019.

The LEDA assistance will result in \$7 billion in new capital investment across New Mexico and a 10-year economic impact of \$34 billion.

EDD reports that the Job Training Incentive Program (JTIP) has assisted 176 companies since Jan. 2019 in 34 communities with 9,945 trainee awards.

The average wage for JTIP-supported hires hit a new all-time high in the last 6 months with an average wage in fiscal year 2023 to date of \$27.51, up 52% from about \$18 four years ago.

The wage data tops off record fiscal year performance for direct spend by the film industry of \$855.4 million in FY2022. New Mexico is also seeing a significant jump in the average wage for film industry workers, growing 12% to \$31.79 an hour or \$66,123 annually in 2022 from \$28.33 hourly or \$58,935 in 2021.

"The Economic Development Department, under the leadership of Gov. Lujan Grisham, is delivering on our commitment to invest in strategic job-rich industries that can diversify New Mexico's economy and generate family wealth with higher-paying jobs," Cabinet Secretary Alicia J. Keyes said.

Among the highlights for the 2022 calendar year:

• A LEDA investment of \$5 million to Ball Corp. and Manna Capital Partners for what will be one of the largest capital projects in state history, an aluminum can and sheet rolling mill in Valencia County that will generate 950 jobs with an average salary of \$68,000. The project is expected to have a \$3.4 billion economic impact over 10 years.

- A third film production partner, as established in the 2019 Senate Bill 2, with the decision by 828 Productions to locate its headquarters in Las Cruces. The company plans to invest \$75 million to build a 300,000-square-foot studio and 20-acre back lot, creating at least 100 jobs. The media company has committed to spend \$350 million in New Mexico over the coming decade.
- An announcement by Universal Hydrogen to relocate its operations to New Mexico. With a mission to enable carbon-free fuel and reduce the climate impact of air travel, Universal Hydrogen has chosen a 50-acre parcel northeast of the passenger terminal at the Albuquerque International Sunport to manufacture and distribute its hydrogen storage modules, assemble airplane retrofit kits, perform aftermarket maintenance services, and manage administrative activities. It anticipates investing over \$254 million in New Mexico and aims to hire 500 employees over the next seven years. These jobs will include highly skilled engineers and composite technicians with attractive salaries and benefits.
- Other 2022 LEDA investment announcements included <u>G-Boyz Beef Jerky</u> in Bayard, <u>Little Toad Creek Brewery & Distillery</u> in Deming, <u>Syzygy Tile</u> in Silver City, <u>Parting Stone</u> in Santa Fe, and <u>Deluxe Design</u> in Rio Rancho.
- Las Cruces projects included <u>828 Productions</u>, <u>Electronic Caregiver</u>, and <u>Bluebonnet Labs</u>, while Albuquerque announcements included <u>Universal Hydrogen</u>, <u>Pajarito Powder</u>, <u>Curia</u>, <u>Alstate Steel</u>, <u>Aspen and Autumn</u>, and <u>Craftworks LLC</u>.
- The average salary for 2022 LEDA-created jobs was \$70,769 in New Mexico's urban counties and \$66,131 in rural communities.
- EDD also announced the first Tribal government agreement with <u>Taos Pueblo</u> for its the new Taos Pueblo Economic Development Center, a project expected to create year-round employment for Tribal artisans and community residents.
- LEDA will also help with rural infrastructure improvements at county-owned industrial parks in McKinley and San Juan Counties.



Taos Pueblo



G-Boyz Beef Jerky



Parting Stone



Aspen and Autumn



Universal Hydrogen

New Mexico Film Office

New Mexico is coming off two record fiscal years for direct spending from the film and TV industry into the state's economy - \$626.5 million in FY21 and \$855.4 million in FY22, including an unprecedented \$49.5 million in production spend in rural areas. In calendar year 2022, spending will exceed \$760 million with some \$25 million of that outside the Albuquerque-Santa Fe corridor.

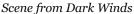
Some of the rural communities that saw productions:

- Alamogordo
- Artesia
- Chama
- Gallup
- Las Cruces
- Mescalero Reservation
- Roswell
- Ruidoso
- San Antonio
- Truth or Consequences

New Mexico now has three film studio partnerships — Netflix, NBCUniversal, and 828 Productions, all of which include 10-year commitments to the state, creating thousands of jobs, billions of dollars in production spend, and investments in soundstage infrastructure. These commitments include \$2 billion by Netflix, \$500 million by NBC Universal, and \$350 million by 828 Productions

In 2022, Gov. Michelle Lujan Grisham announced yet another gamechanger for the film and digital media industry of New Mexico with the establishment of the New Mexico Media Academy (NMMA). The New Mexico Media Academy is a collaboration with the Higher Education Department and 15 of their film and media programs statewide, our film partners - Netflix, NBCUniversal, and 828 Productions, and IATSE Local 480. The NMMA will be the epicenter for New Mexico's film, television, and digital media crew training with state-of-the-art next generation equipment and facilities, fast-tracking New Mexicans into film industry apprenticeships and jobs.







Cast of Stranger Things

Outdoor Recreation Division

In 2022, the Outdoor Recreation Division successfully led an Outstanding National Resource Waters Petition to designate 125 miles of rivers in New Mexico as having "outstanding" recreational significance to the state. The petition was approved on July 12, 2022.

This initiative will protect the water quality of these rivers in perpetuity for hunters, anglers, acequias, birders, and everyone else living and recreating along their banks. The waters include the Upper Rio Grande, the Rio Hondo, and the headwaters of the Jemez.

In 2022, ORD awarded grants to 46 organizations, totaling nearly \$800,000, to get 12,391 kids outside. Since the OEF (Outdoor Equity Fund) launched in 2020, the program has granted \$2 million to 128 organizations throughout the state that are actively introducing nearly 40,000 young New Mexicans to the outdoors. The grants support programming that provides outdoor experiences that foster stewardship and respect for New Mexico's lands, waters, and cultural heritage, targeting low-income youth 18 years and younger.

For 2022, Trails+ grants were open on a rolling basis with \$7 million in federal American Rescue Plan Act funding. As of the second round of awards, Trails+ has selected a total of 35 projects and \$4.75 million in funding. The first and second round of Trails+ grant awards will create 315 jobs in our state. Of the 35 projects awarded thus far in 2022, 64%

support rural or Tribal communities. Round three of 2022 awards are currently under review

Since the Trails+ grant was created, over \$5 million has been awarded to 66 projects statewide.

The Outdoor Recreation Trails+ grant program supports projects that enhance communities' outdoor recreation opportunities. Trails, river parks, wildlife viewing areas, and more contribute to economic development, prosperity, and wellness. These grants fund shovel-ready conservation-minded projects that directly add to that access.

The 2021 BEA report from the U.S. Bureau of Economic Analysis, released in November of 2022, quantifies some of the progress made in New Mexico.

According to the BEA report, there has been great overall improvement in the outdoor recreation sector. Outdoor recreation contributed \$2.3 billion to New Mexico's GDP in 2021 (2.1% of GDP). The U.S., by comparison, generated 1.9% of GDP from outdoor recreation. The data also showed 28,475 jobs and 3.4% of employment in New Mexico in 2021 were in the outdoor industry.

Since 2020, statewide employment in outdoor recreation has grown by 18.2%, ranking New Mexico 5th in outdoor industry employment growth, compared to 13.1% for the U.S. In value-added growth, New Mexico ranked 12th, showing a 27.2% increase in comparison to 24.7% nationally.



Zuni Youth Enrichment Project



Continental Divide Trail

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EDD's mission is *to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive*. EDD's programs contribute directly to this mission by training our workforce, providing infrastructure that supports business growth, and helping *every community* create a thriving economy.

New Mexico Economic Development Department <u>EDD.NewMexico.gov</u>







