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FY21 QUARTER #1 PERFORMANCE REPORT

Economic Development Department



AGENCY PROGRAMS

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ECONOMIC DEVELOPMENT DEPARTMENT

Agency Mission: To improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive.

Agency Goals/Objectives: Increase wealth creation: earnings & investment; improve economic opportunities for New Mexicans; focus on rural communities; diversify the economy.

Office of the Secretary

Program Description, Purpose and Objectives: The Office of the Secretary (OFS) leads the agency by setting goals, objectives and policies. The OFS works with the Executive and Legislature to identify and secure new resources and enhance existing programs. OFS also administers the contract with the New Mexico Economic Development Corporation, or Partnership. Programs within OFS include marketing and communications, the State Data Center, Economists, and General Counsel.

Program Budget (in thousands):

FY21	General Fund	Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	\$ 1,746.0				\$ 1,746.0	18
300	\$ 1,142.7				\$ 1,142.7	
400	\$ 172.0				\$ 172.0	
TOTAL	\$ 3,060.7				\$ 3,060.7	

Program Performance Measures:

1. Number of new jobs created due to economic development department efforts
2. Number of rural jobs created due to economic development department efforts
3. Average wage of jobs created due to economic development efforts
4. Wages for jobs created in excess of prevailing local wages
5. Number of jobs created through business relocations facilitated by the Partnership
6. Number of potential recruitment opportunities submitted by the Partnership
7. Number of company visits to New Mexico for projects managed by the New Mexico Partnership (NMP)

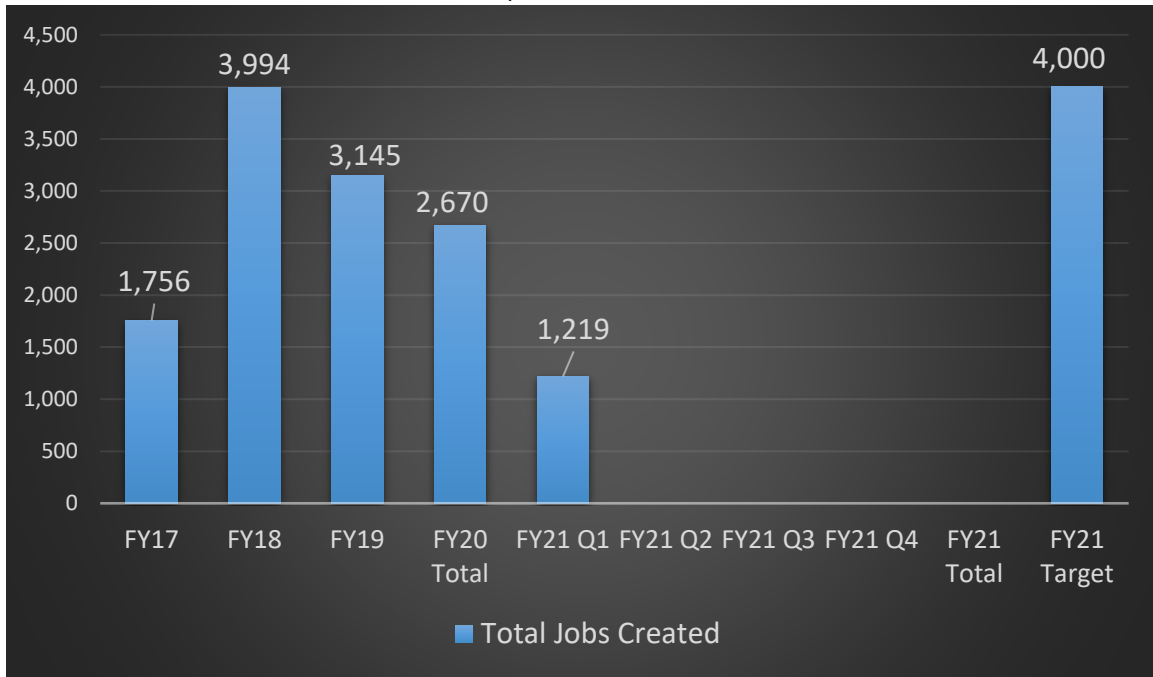
PERFORMANCE MEASURE #1

Number of new jobs created due to economic development efforts

Results

FY17	FY18	FY19	FY20	FY21 Q1	FY21Q2	FY21 Q3	FY21 Q4	FY21 Target
1,756	3,994	3,145	2,670	1,219				4,000

Graph of Data Above



MEASURE DESCRIPTION: The total number of jobs created by the businesses assisted by a program of the Economic Development Department.

DATA SOURCE/METHODOLOGY: The businesses report the number of new jobs created through an agreement signed with the program(s) utilized. Examples include JTIP contracts and LEDA project participation agreements (PPAs).

STORY BEHIND THE DATA: EDD programs supported the creation of 1,219 net new jobs in the first quarter of the fiscal year.

IMPROVEMENT ACTION PLAN: This number exceeds the quarterly target of 1,000 new jobs.

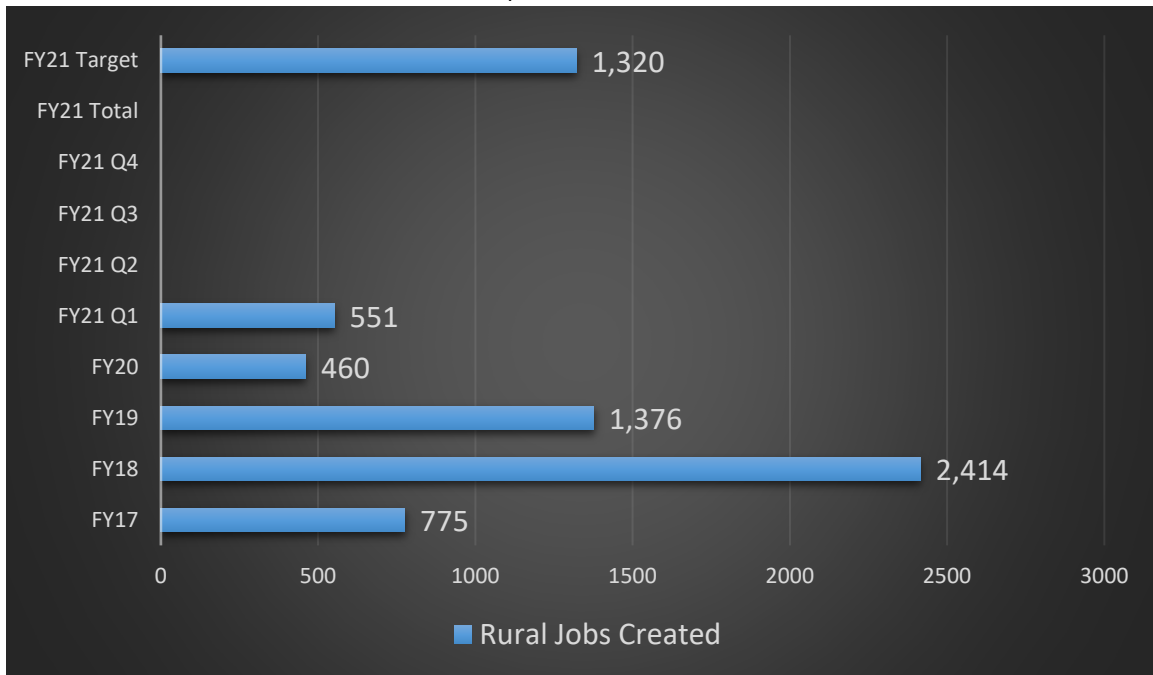
PERFORMANCE MEASURE #2

Number of rural jobs created due to economic development department efforts

Results

FY17	FY18	FY19	FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
775	2,414	1,376	460	551					1,320

Graph of Data Above



MEASURE DESCRIPTION: Number of jobs created by companies assisted by an economic development department program which are located in a rural community.

DATA SOURCE/METHODOLOGY: The businesses report the number of new jobs created through an agreement signed with the program(s) utilized. Examples include JTIP contracts and LEDA project participation agreements (PPAs).

STORY BEHIND THE DATA: EDD programs supported the creation of 551 new jobs in rural communities.

IMPROVEMENT ACTION PLAN: This number exceeds the quarterly target of 330 new rural jobs.

PERFORMANCE MEASURE #3

Average wage of jobs created due to economic development department efforts

Results

FY21 Q1	FY21 Q2	FY21 Q3	FY20 Q4	FY21 Total	FY21 Target
\$47,395					\$47,500

MEASURE DESCRIPTION: The average wage of jobs created due to the economic development department efforts associated with the LEDA and JTIP.

DATA SOURCE/METHODOLOGY: The data sources for the performance measure comes from two separate sources. The first, for JTIP, comes from the approved jobs for fiscal year 21, quarter 1. The second source, for LEDA, comes from the deals that have been finalized during the first quarter of fiscal year 21. To calculate the average wage of jobs created due to economic development department efforts, EDD takes a weighted average for all hires and the associated hourly wage.

STORY BEHIND THE DATA: The average wage for jobs created due to efforts by EDD does not include the wages or jobs associated with call centers. Those amounts have been removed due to far more restrictive incentives on a different scale.

IMPROVEMENT ACTION PLAN:

PERFORMANCE MEASURE #4

Wages of jobs created in excess of prevailing local wages

Results

FY21 Q1	FY21 Q2	FY21 Q3	FY20 Q4	FY21 Total	FY21 Target
\$9,396.60					\$5,000

MEASURE DESCRIPTION: Measuring the wages created by EDD, against the average three-year wage for the counties where projects occurred.

DATA SOURCE/METHODOLOGY: The data for this performance measure comes from three separate sources. The first, for JTIP, comes from the approved jobs for FY21, quarter 1, and the approved wages for those positions. The second source, for LEDA, comes from the deals that have been finalized during the first quarter of FY21 and the shared wage information from the companies. The final data source is the average wage for counties located in New Mexico. This information comes from the QCEW or quarterly census of employment and wages (published by DWS). To compare the wages that EDD has created versus the current average prevailing wages of the county, EDD takes the number of hires, by county, as well as the associated hourly wage and multiplies those hires by the average prevailing county wage. We then find the difference between what the number of hires would have made, on average, versus what they will make. Then, by dividing the total number of hires by the sum of the difference we are able to see the contrast between the average prevailing county wage and the positions EDD helped create.

STORY BEHIND THE DATA: The wages for jobs created in excess of prevailing local wages does not include the wages or jobs associated with call centers. Those amounts have been removed due far to more restrictive incentives on a different scale.

IMPROVEMENT ACTION PLAN:

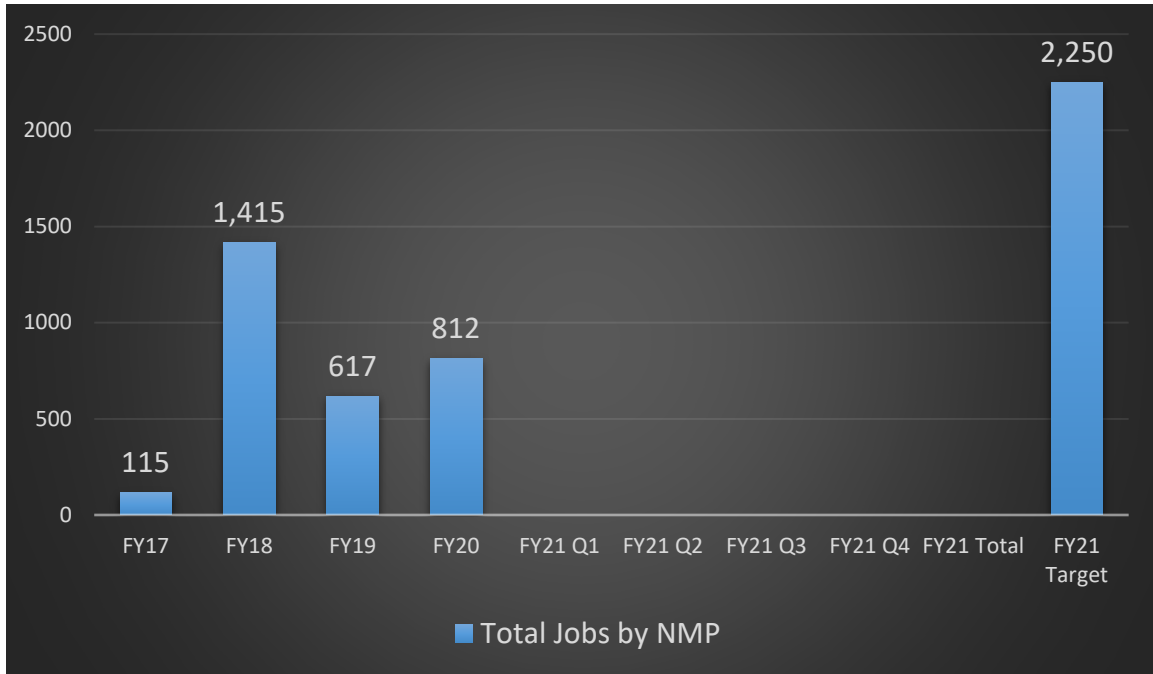
PERFORMANCE MEASURE #5

Number of jobs created through business relocations facilitated by the NMP

Results

FY17	FY18	FY19	FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
115	1,415	617	812	0					2,250

Graph of Data Above



MEASURE DESCRIPTION: The creation of economic base jobs in New Mexico from successful out of state recruitments or competitive expansions where New Mexico has competed among other geographies for the retention of the company and its expanded jobs.

DATA SOURCE/METHODOLOGY: Total number of jobs expected to be created by the new company within 3 to 5 years of operations in New Mexico or the immediate number of new jobs created by a competitive expansion of a local company.

STORY BEHIND THE DATA: Xxentria selected Santa Teresa for a 40-acre site to host their US headquarters and will plan to hire 35 employees. However, the project jobs will be counted next quarter after final documents are signed.

IMPROVEMENT ACTION PLAN: COVID-19 has had a significant impact on projects worldwide, not just for us in New Mexico. Companies are extending timelines, putting projects on hold, or rethinking their plans all together. We are adjusting some of our approaches to try to generate additional leads as described in the next sections. We also refined our project pipeline list to focus on priority and those longer-term projects that are still making progress. That reduced our list of active projects to 87 (from 142). We continue to manage those projects and try to move them through the site selection process.

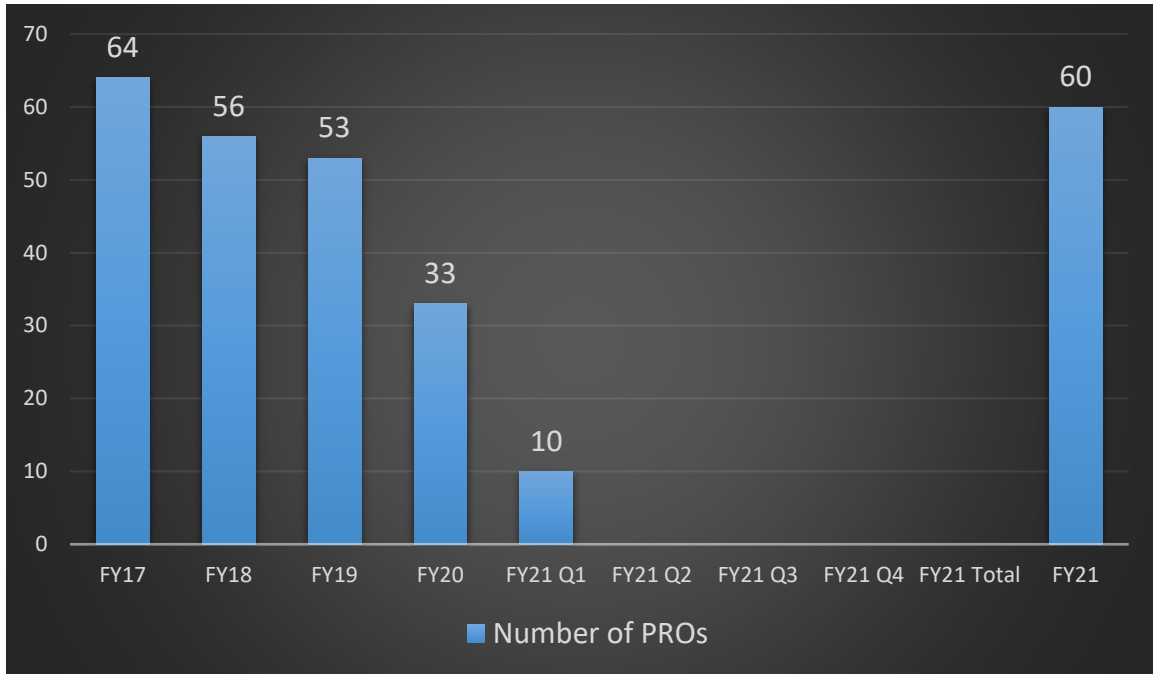
PERFORMANCE MEASURE #6

Number of potential recruitment opportunities (PROs) submitted by the Partnership

Results

FY17	FY18	FY19	FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
64	56	53	33	10					60

Graph of Data Above



MEASURE DESCRIPTION: A “prospective company” is an organization that has identified specific real estate (if applicable) and labor requirements, has expressed specific interest in a potential New Mexico site, and expects to conclude their site selection process within twenty-four months.

DATA SOURCE/METHODOLOGY: Directly measured as companies or their advisors engage with the Partnership.

STORY BEHIND THE DATA: This quarter saw 10 PROs being generated, which is higher than the same quarter last year, but lower than the same quarter two years ago. These opportunities came from a variety of sources including direct calls to the NMP, the site selection consultants we work with, foreign consulates, and our contractor Jerry Pacheco.

IMPROVEMENT ACTION PLAN: Since all in-person events and travel have been cancelled, we have actively pursued other virtual options. During this quarter, we participated in nine virtual trade shows and several other virtual webinars, meetings, and networking opportunities. We have also increased our direct outreach to companies. These efforts have resulted in over 800 new contacts, which is 4 times the amount of contacts from the same quarter last year. We continue to look for additional methods of making new contacts and generating new leads and have new virtual events planned for the next quarter.

PERFORMANCE MEASURE #7

Number of company visits to New Mexico for projects managed by the NMP

Results

FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
2					12

MEASURE DESCRIPTION: A site visit includes a physical visit from the prospective company to the community(ies) of interest. Often meetings with industries and local leaders occur. Sites visits are conducted prior to a company selecting NM as their location.

DATA SOURCE/METHODOLOGY: Directly measured as companies physically come to New Mexico to investigate specific sites. Only the first site visit is recorded, all other subsequent sites visits from the same company are not included in these totals.

STORY BEHIND THE DATA: Project Sim came for a site visit on 8.27.20 and Project Sierra came for a visit on 9.23.20. Project Sim has since chosen NM as their finalist location, although they are not quite ready to announce yet. Project Sierra continues to evaluate the information and has not made a decision as of this point.

IMPROVEMENT ACTION PLAN: The global pandemic and travel bans have impacted our numbers. We are hearing that some site selectors are just now starting to travel again, but only to limited markets and on a case-by-case basis. Some have shifted to conducting virtual tours before they will come in person. With shifting travel restrictions across the US, we are unsure when site visits will go back to “normal”. We are making arrangements and have contingency plans in place to conduct virtual site tours when necessary.

Economic Development Division (EDD)

Program Description, Purpose and Objectives: The Economic Development Division (EDD) assists New Mexico businesses and communities through its six key programs and professional staff. EDD’s programs include the New Mexico MainStreet program, which includes the Arts & Cultural Districts (ACD) program, the Frontier & Native American Communities Initiative and the Historic Theatres Initiative; the Community, Business and Rural Development Team (CBRDT), which includes the Local Economic Assistance Development & Support (LEADS) grants, the Business Retention & Expansion (BRE) program, and the Tribal Liaison; Finance Development, which administers the \$75 million dollar LEDA closing fund, FUNDIT, the Collateral Assistance Program (CAP), and the EB-5 program; the Job Training Incentive Program (JTIP), which includes Step-Up and NM 9000 Certification Training; the Office of Science & Technology, which include the Technology Research Collaborative (TRC) and the SBIR Match and Business Start-Up grants; and the Office of International Trade, which include Foreign Direct Investment.

OBJECTIVES:

- Enhance business retention and expansion efforts within each region by identifying each economic base company within the region and develop relationships with each.
- Provide education and training to local economic development organizations and leadership within each region
- Create thriving places in New Mexico by increasing economic vitality through revitalization and Creative Placemaking, and supporting property redevelopment initiatives.
- Enhance awareness of the Job Training Incentive Program (JTIP) among prospective companies in order to increase participation in rural areas and the number of first-time participants.
- Increase the level of Foreign Direct Investment into New Mexico by conducting outreach activities in identified target countries.
- Deploy LEDA funding to attract capital investment and job creation in communities.
- Provide education and outreach to ensure that New Mexico technology-based companies are well equipped to pursue new sources of capital.

Program Budget (in thousands):

FY21	General Fund	Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	\$ 1,766.6				\$ 1,766.6	20
300	\$ 1,282.0		\$ 30.0		\$ 1,310.0	
400	\$ 6,403.6	\$	\$ 741.0		\$ 7,144.6	
TOTAL	\$ 9,452.2	\$	\$ 771.0		\$ 10,221.2	

Program Performance Measures:

1. Number of private sector dollars leveraged by each dollar through LEDA
2. Number of jobs created through the use of LEDA funds
3. Average wages in excess of cost per job for projects funded through the Local Economic Development Act (LEDA)
4. Dollars of private sector investment in MainStreet districts, in millions
5. Number of building rehabilitations assisted by the MainStreet program
6. Number of workers trained by JTIP
7. Average wages in excess of cost per job for projects funded through the Job Training Incentive Program (JTIP)
8. Dollars of investment in technology-based companies as a result of Office of Science & Technology programs
9. Foreign Direct Investment in New Mexico as a result of Office of International Trade efforts, in millions
10. Federal grants dollars awarded as a result of economic development efforts

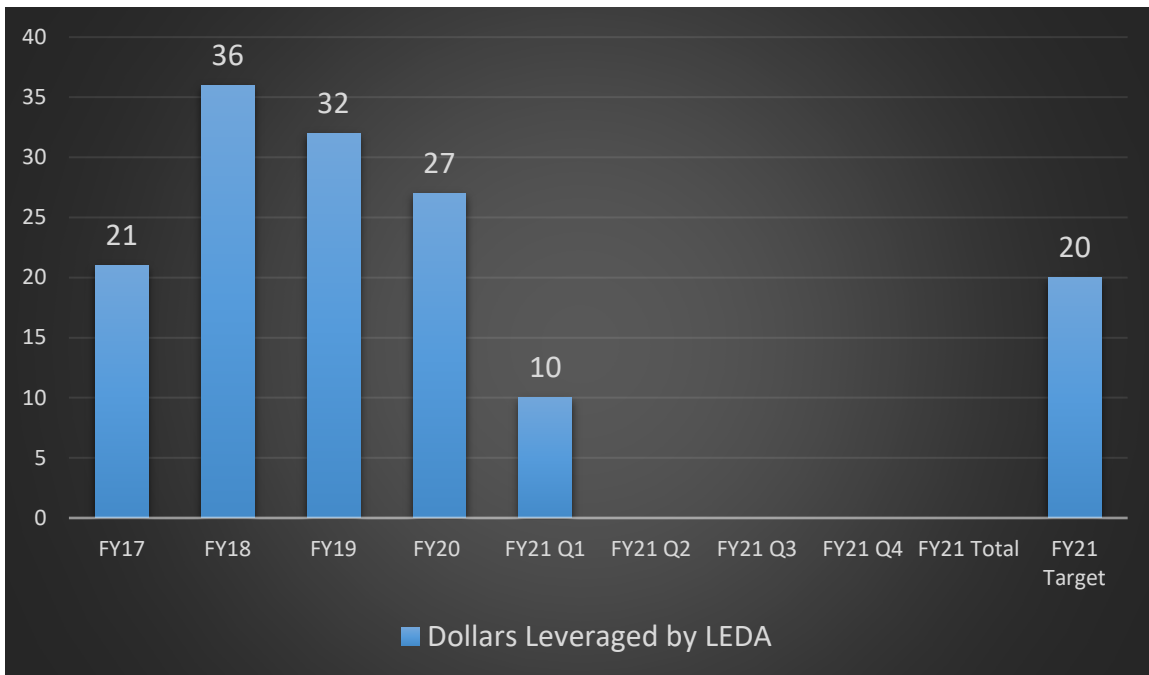
PERFORMANCE MEASURE #1

Number of private sector dollars leveraged by each dollar through LEDA

Results

FY17	FY18	FY19	FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
21	36	32	27	10					20

Graph of Data Above



MEASURE DESCRIPTION: The ratio of private sector dollars invested in a LEDA project to the level of LEDA dollars invested.

DATA SOURCE/METHODOLOGY: Investment amounts are detailed in the project participation agreement, which is signed and affirmed by the company.

STORY BEHIND THE DATA:

Company	Jobs	Private Investment	LEDA Commitment
Ascent Aviation Services	360	\$25,000,000.00	\$4,000,000.00
Sceye	140	\$50,000,000.00	\$5,000,000.00
LaSen	79	\$ 8,546,000.00	\$ 750,000.00
Rose's Southwest Paper	38	\$12,000,000.00	\$ 100,000.00
Totals	617	\$95,546,000.00	\$9,850,000.00

Private investment of \$95,546,000/LEDA investment of \$9,850,000 = 10

IMPROVEMENT ACTION PLAN: Projects vary over time, and one quarter is not sufficient time to be concerned about the results versus the annual target. We expect to achieve the target by the end of the fiscal year.

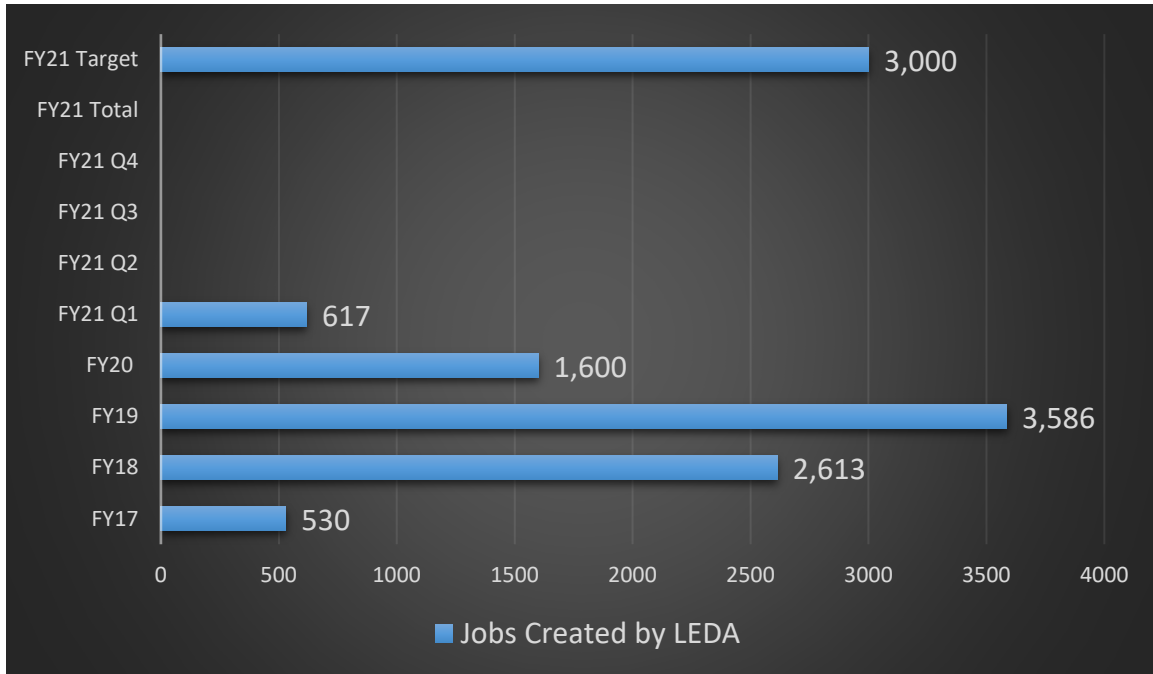
PERFORMANCE MEASURE #2

Number of jobs created through the use of LEDA funds

Results

FY17	FY18	FY19	FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
530	2,613	3,586	1,600	617					3,000

Graph of Data Above



MEASURE DESCRIPTION: The total number of jobs created by all the LEDA projects completed during the quarter.

DATA SOURCE/METHODOLOGY: The number of jobs a project will create are captured in the project participation agreement (PPA).

STORY BEHIND THE DATA:

- Ascent Aviation Services is an Arizona-based company that is expanding to the Roswell Air Center for airplane repair and maintenance services. The company was approved for \$4,000,000 in LEDA support for 360 jobs over the next five years.
- Sceye is a company that developed an innovative stratospheric airship that can transmit over thousands of square kilometers and provide all communities equal access to internet. R&D has been ongoing in Roswell and Moriarty for the past three years. The company has now chosen to locate its manufacturing facility in New Mexico as well. Sceye has been approved for \$5,000,000 in LEDA support for 140 manufacturing and engineering jobs.
- LaSen is a Las Cruces company that specializes in aerial inspection and mapping services. The company is expanding its operations in New Mexico and will more than double its workforce over the next 5 years. LaSen has been approved for \$750,000 in LEDA support for 79 jobs.
- Rose’s Southwest Paper is a family-owned paper company in Albuquerque that supplies the national janitorial and restaurant market with paper products. The company is expanding its operations and adding a new production line. The company has been approved for \$100,000 in LEDA support for 38 jobs.

IMPROVEMENT ACTION PLAN: Projects vary over time, and one quarter is not sufficient time to be concerned about the results versus the annual target.

PERFORMANCE MEASURE #3

Average wages in excess of cost per job for projects funded through LEDA

Results

FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
\$41,839					\$27,500

MEASURE DESCRIPTION: Measuring the average LEDA wage against the cost per job associated with the number of hires by the companies receiving a LEDA award.

DATA SOURCE/METHODOLOGY: The source comes from the deals that have been finalized during the first quarter of FY21. EDD takes the amount of hires as well as the amount of a LEDA award associated with the projects to come up with a cost per job. EDD then takes the average wage associated with the companies and subtracts the cost per job to come up with the performance measurement.

STORY BEHIND THE DATA: Four projects are reported and the average wage associated ranges between \$17-\$34 per hour. The cost per job for all jobs and LEDA awards is \$16,780.

IMPROVEMENT ACTION PLAN:

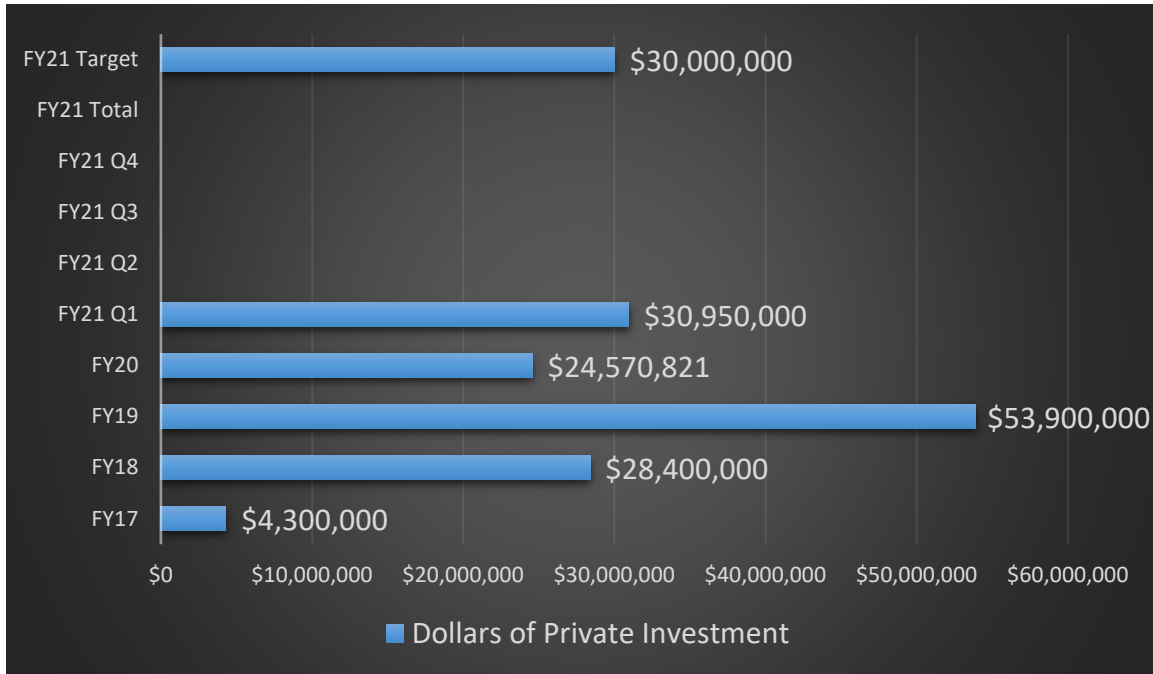
PERFORMANCE MEASURE #4

Dollars of private sector investment in MainStreet districts, in millions

Results

FY17	FY18	FY19	FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
\$28.4	\$53.9	\$30.7	\$24.57	\$30.95					\$30

Graph of Data Above



MEASURE DESCRIPTION: The total of all private investment into the MainStreet district. This includes development and redevelopment projects, and private sector donations and grants.

DATA SOURCE/METHODOLOGY: Data is provided through the combined quarterly reports submitted to the state MainStreet coordinating program from 30 local MainStreet communities that includes easily quantifiable data on private investment in building improvements, new development projects, and private sector donations and grants for community projects. Local programs gather data from local businesses and property owners, donations and grants to the local MainStreet program, and recent construction/building permits.

STORY BEHIND THE DATA:

- Clovis MainStreet has had \$820,000 in private rehabilitation projects in their district from 4 different businesses, creating 9 new jobs. The largest investment came from Bandolero Brewery investing \$600,000 into their facilities. Range Movement, a fitness gym, also brought in 7 new jobs to the district.
- Barelmas MainStreet continues to capitalize on a public private partnership project that brought a new building to the district by adding a \$200,000 private grant from World Education Services through a partnership with multiple non-profits servicing the Barelmas community.
- Nob Hill MainStreet is welcoming a brand new 102-unit multifamily housing development being constructed by Titan Development titled Broadstone Nob Hill. This project is a private development and represents a \$21.5 million investment into the Nob Hill MainStreet district which was made possible through a public-private

partnership with the City of Albuquerque's Metropolitan Redevelopment Agency which provided a MRA Bond tax abatement to the project.

- Roswell MainStreet had a large investment into their community with the addition of a \$3.5 million Home2 Suites by Hilton hotel moving into their district. The Hotel adds 83 guest rooms and a 1,500 sq. ft. event space, and increased the Roswell District's capacity to host conferences and large events.

It is important to note that:

- 1) There was a \$21M investment in a mixed housing development in Nob Hill that accounts for the majority of the private investment being reported in this quarter. Nonetheless, \$9M in private investment in other districts is encouraging considering challenges businesses in downtown areas are facing due to the COVID-19 shutdown and restrictions.
- 2) An emerging trend has been observed in that many businesses had to retro fit existing spaces to meet mandated changes due to COVID-19, while many other business improvements/investments were spurred on by the inactivity in the districts during the shutdown. There is increased private and public construction going on in NM MainStreet districts right now. There are currently six NMMS CO/Great Blocks projects under construction right now. The high number of building rehabs and public infrastructure projects going on is one of the few bright spots that has resulted in the shutdown and is a great indicator/component of the recovery effort.

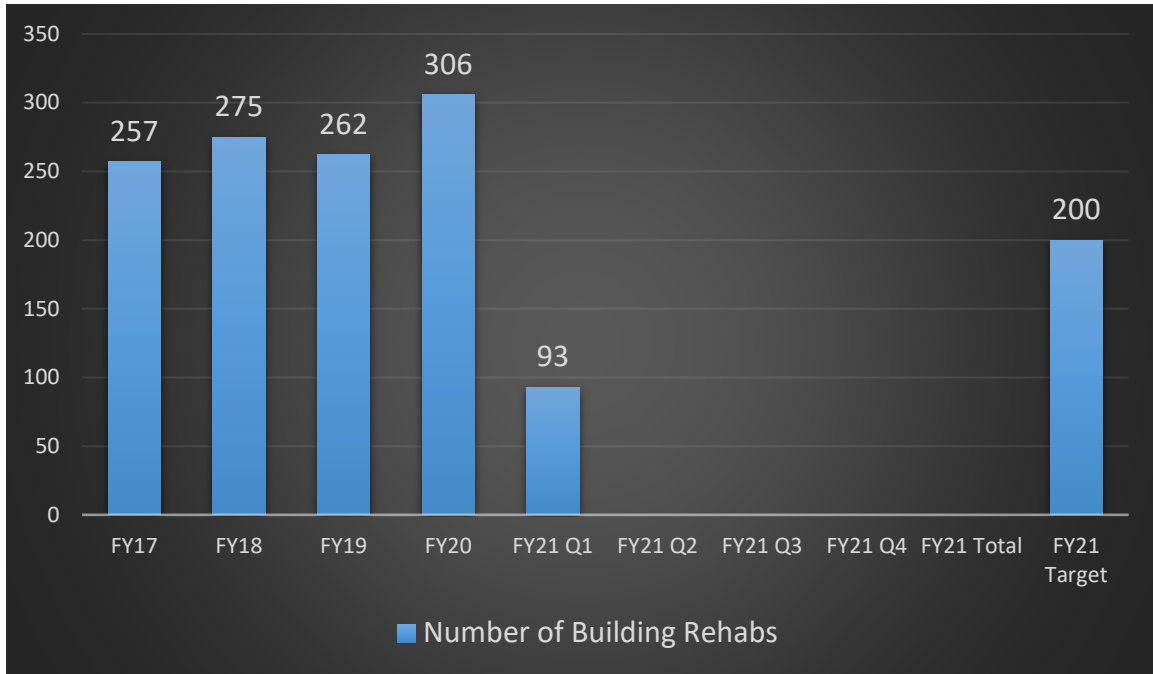
PERFORMANCE MEASURE #5

Number of building rehabilitations assisted by the MainStreet program

Results

FY17	FY18	FY19	FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
257	275	262	306	93					200

Graph of Data Above



MEASURE DESCRIPTION: Total number of building rehabilitation projects, including construction such as repair, renovate, modify or reconstruct.

DATA SOURCE/METHODOLOGY: Data is provided through the combined quarterly report submitted to the state MainStreet coordinating program from 30 local MainStreet communities. Rehabilitation projects are recorded after each project is completed.

STORY BEHIND THE DATA:

- MainStreet de Las Vegas reported 8 building rehabilitations (Fred's Lumber Bldg./B3 BBQ; El Fidel Hotel Bldg.; Maloof Bldg. on Grand Ave.; Frankie's Antiques; Smokin' Body; and The Skillet) for a total investment of \$600,000 that included multiple patio dining additions and façade improvements
- Silver City MainStreet reported a total of \$60,500 in private investment from minor building improvements by 17 businesses in their district.
- Similarly, Truth or Consequences MainStreet program saw a total of 9 building rehabilitation projects totaling over \$304,450 in repairs, improvements and renovations. It appears that the slowdown of dining and other retail activity has led many business and building owners to use the time to make improvements to their properties.
- Downtown Albuquerque MainStreet has had a total of 9 building rehab projects begin this quarter representing over \$597,000 in additions and alterations to existing buildings in their district. Much of these projects are related to retro fitting existing spaces to meet mandated changes due to COVID-19 or investments that have been spurred due to the shutdown.

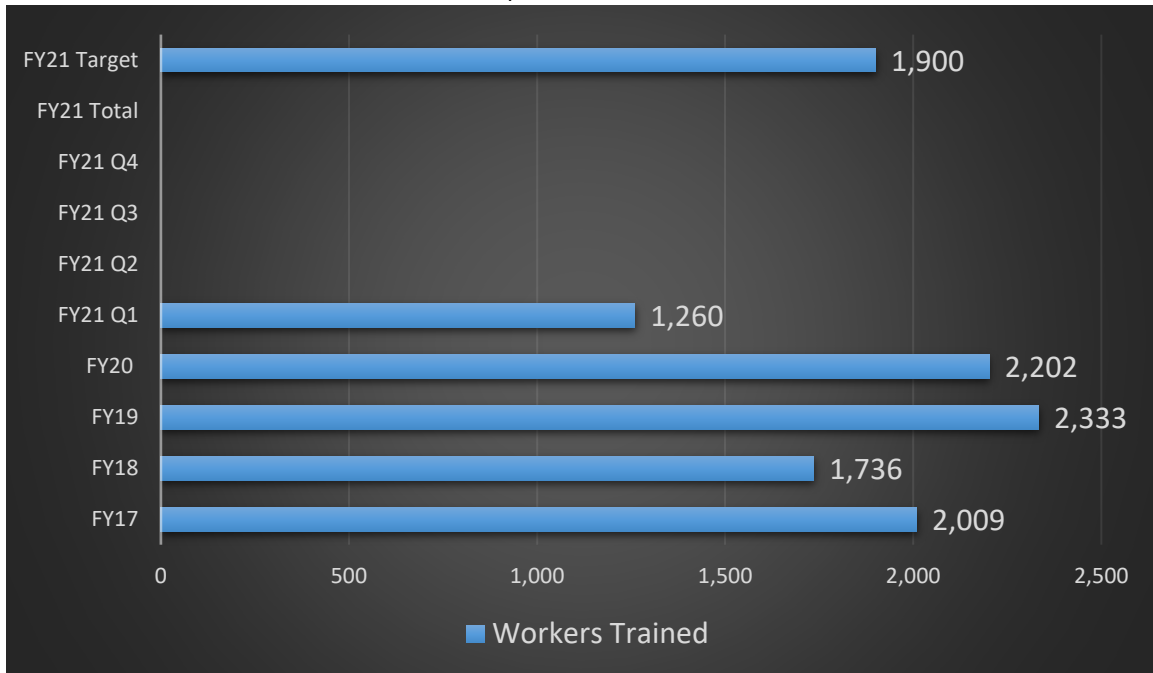
PERFORMANCE MEASURE #6

Number of workers trained by JTIP

Results

FY17	FY18	FY19	FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
2,009	1,736	2,333	2,202	1,260					1,900

Graph of Data Above



MEASURE DESCRIPTION: Number of workers trained includes JTIP trainees in newly created positions and internships, Step Up trainees receiving upskills training, and JTIP for Film & Multimedia trainees in the Film Crew Advancement Program (FCAP) and Pre-Employment Training Program (PETP).

DATA SOURCE/METHODOLOGY: The number of workers trained comes from the contracts approved by the JTIP board.

STORY BEHIND THE DATA:

Qualifying companies may apply for JTIP funds as long as they continue to meet program and expansion requirements. A JTIP application contains a six-month hiring projection. If the company is in expansion mode, it may apply multiple times over the course of a year, or several years, until it reaches its targeted employment level. Twenty-eight companies were approved by the JTIP board in the first quarter, seven of which were new to the JTIP Program. 1,252 new jobs were approved at an average wage of \$14.93 per hour. One internship was approved at an average wage of \$20.00 per hour. 420 of the approved jobs were in rural in communities such as Las Vegas, Truth or Consequences, Sunland Park and Clovis. The average wage for jobs approved in rural areas was \$13.71 and 38 of the 420 jobs were high-wage, at least a \$40,000 annual salary. One production was approved for FCAP in Q1, to train 7 crew members at an average wage of \$24.92 per hour.

It is encouraging that the demand for JTIP has not decreased due to COVID-19. Many companies have moved forward with expansion plans despite the challenges and the pipeline of projects through January 2021 currently stands between 20-30. The JTIP application has been modified to capture company COVID-19 safety protocols in order to ensure employees are afforded a safe work environment.

PERFORMANCE MEASURE #7

Average wages in excess of cost per job for projects funded through JTIP

Results

FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
\$25,774					\$30,000

MEASURE DESCRIPTION: Measuring the average JTIP wage against the cost per job associated with the number of hires by the companies receiving a JTIP award.

DATA SOURCE/METHODOLOGY: The data source comes from the approved jobs for FY21, quarter 1 and the approved wages for those positions.

STORY BEHIND THE DATA: The estimated reimbursement amount (award) for JTIP jobs is based on the complexity of the skills required to do the job and the wage rate the company is paying. The higher the skill set and wage rate, the more training hours are approved and therefore a higher award amount. The average annual wage associated with the jobs approved in Q1 is \$31,055. The cost per job for these JTIP jobs is \$5,281. This measurement includes businesses that are considered call centers.

IMPROVEMENT ACTION PLAN: The cost per job calculation will vary from quarter to quarter, depending on the types of jobs that are approved. While this performance measure can be tracked throughout the FY, the final outcome will not be truly measureable until Q4.

PERFORMANCE MEASURE #8

Dollars of follow-on investment in technology-based companies as a result of OST programs

Results

FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
\$9.5M	0					\$2,000,000

MEASURE DESCRIPTION: New investment in a tech company assisted by the Office of Science & Technology from non-state sources. This may include follow-on funding a company receives after receiving a grant from OST or a company that successfully identifies funding after receiving technical assistance from OST.

DATA SOURCE/METHODOLOGY: The company reports the new funding to OST or OST is made aware of the new funding in a report or the media.

STORY BEHIND THE DATA: No follow-on funding was reported by companies that received a NM SBIR matching grant in FY20.

NM SBIR matching grant applications were solicited in Q1. To date seven applications have been received and are in the process of being evaluated. It is anticipated that awards will be made in Q2 and Q3.

IMPROVEMENT ACTION PLAN: Continue to support small businesses by bolstering statewide efforts to assist companies with their SBIR federal grant applications.

OST received a \$681,308 federal grant from the Office of Economic Adjustment to help businesses comply with new cybersecurity requirements. The OST is partnering with NM Tech, Manufacturing Extension Partnership and the Procurement Technical Assistance Program to deploy the funds over the course of three two years. This grant will help to prepare NM companies by building their cybersecurity capacity in order to meet federal regulations and qualify for federal contracts.

PERFORMANCE MEASURE #9

Foreign direct investment in New Mexico as a result of Office of International Trade efforts

Results

FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
0					\$5,000,000

MEASURE DESCRIPTION: Foreign companies that choose to invest in New Mexico, when they create new economic base jobs.

DATA SOURCE/METHODOLOGY: Documentation related to EDD programs the company participates in, such as JTIP or LEDA.

STORY BEHIND THE DATA: EDD has been working with several companies interested in New Mexico after a trade mission to Taiwan in October 2019. Although Xxentria was announced in the first quarter, it will not be counted until the final documents have been signed and finalized.

IMPROVEMENT ACTION PLAN: The COVID-19 crisis is creating significant shifts in worldwide supply chains, and this will create opportunities for companies to expand their global outreach. EDD is in the process of positioning itself to actively recruit investment from major investor countries including Taiwan, Mexico, Germany, Japan, the United Kingdom, and Canada.

PERFORMANCE MEASURE #10

Federal grant dollars awarded as a result of economic development department efforts

Results

FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
\$861,933					\$250,000

MEASURE DESCRIPTION: Federal Grant dollars awarded to NM communities, organizations and companies as a result of economic development efforts.

DATA SOURCE/METHODOLOGY: Results are reported by team members and tracked at the Division level.

STORY BEHIND THE DATA:

- New Mexico MainStreet applied for and was selected to participate in National Park Service Main Street Facade Improvement Grant Program being administered by the National Main Street Center. The program will provide \$140,625 in federal funding from the NPS for historic building façade improvements in Deming, Silver City, and Gallup. Each of the three communities will receive \$46,875 to award funding to qualified business and property owners.
- The Office of Science and Technology received a \$681,308 federal grant from the Office of Economic Adjustment to help businesses comply with new federal cybersecurity requirements. The OST is partnering with NM Tech, Manufacturing Extension Partnership and the Procurement Technical Assistance Program to deploy the funds over the course of two years. This grant will help to prepare NM companies by building their cybersecurity capacity in order to meet federal regulations and qualify for federal contracts.
- The Office of International Trade secured a State Trade Expansion Program (STEP) grant in the amount of \$90,000 for federal fiscal year 20-21 to support New Mexico companies with exporting their products internationally.

Film Office

Program Description, Purpose and Objectives: The New Mexico State Film Office is a division of the New Mexico Economic Development Department that serves the film and television industry locally, nationally and internationally. The New Mexico Film Office markets the state to the film industry, services the productions, promotes jobs for New Mexicans, and works to maintain the film production tax credit (in addition to facilitating production registrations and other applicable workflow). The division offers resources to producers, crew, local filmmakers and the community, and works diligently to assist with the scouting of potential filming locations. The film office consults with productions regarding the financial aspects of their projects, guiding them through the incentives such as the Film Production Tax Credit and the Job Training Incentive Program for Film & Multimedia. The division also connects productions with crew, vendor services and film liaisons throughout the state. The Film Division continues to focus on three (3) main initiatives: (1) Recruitment: Television, Feature Productions and Digital Emerging Media Projects/Companies; (2) Workforce Development; and (3) Statewide Industry Outreach.

OBJECTIVES:

- Continue to expand and strengthen relationships with studios/production companies to: keep ongoing series, attract future projects of all kinds including, but not limited to feature films, series, commercials and other media entertainment, and cultivate relationships with digital media and entertainment companies and post-production companies to bring business to New Mexico, and continue to promote the Film Production Refundable Tax Credit program, locally, nationally and globally.
- Increase recruitment efforts of production support services in New Mexico.
- Increase recruitment, outreach and education efforts to grow our workforce.

Program Budget (in thousands):

FY21	General Fund	Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	\$ 576.4				\$ 576.4	7
300	\$ 182.8				\$ 182.8	
400	\$ 78.9				\$ 78.9	
TOTAL	\$ 838.1				\$ 838.1	

Program Performance Measures:

1. Number of film and media worker days
2. Direct spending by film industry productions, in millions
3. Direct spending by film industry productions eligible for the additional 5 percent credit in rural areas, in millions
4. Total wages paid by film industry productions to New Mexico residents, in millions
5. Median wages paid by film industry productions to New Mexico residents
6. Total gross receipts taxes paid by film industry productions, in millions

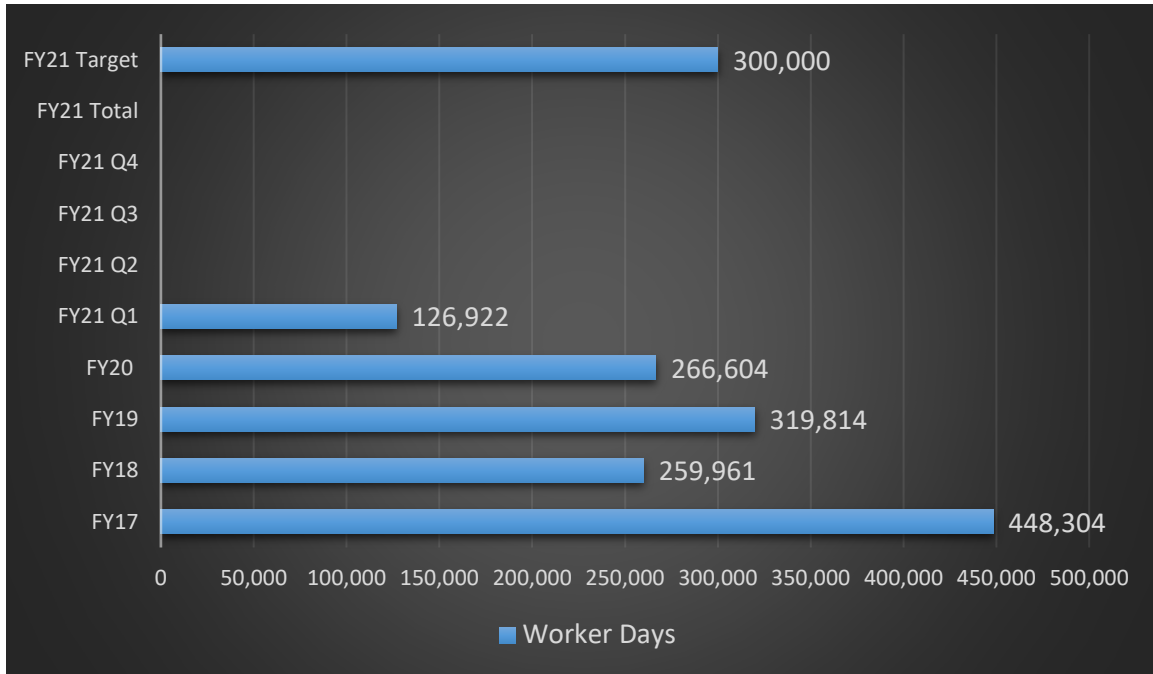
PERFORMANCE MEASURE #1

Estimated number of film and media worker days

Results

FY17	FY18	FY19	FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
448,304	259,961	319,814	266,604	126,922					300,000

Graph of Data Above



MEASURE DESCRIPTION: Estimated crew size X days employed (plus additional calculations to account for an average of a 12-hour work days for film/tv/media productions).

DATA SOURCE/METHODOLOGY: The data is based on information from the NMFO registration forms provided by productions and reflects the estimated crew size multiplied by the days employed. The data is based on productions that started production in Q4.

STORY BEHIND THE DATA: The COVID-19 pandemic brought global film/TV production to a standstill in FY20 through almost the end of Q1 FY21. Physical production in New Mexico began to slowly open up in late September 2020 (approx the end of Q1 FY21), thus the low amount of worker days.

IMPROVEMENT ACTION PLAN:

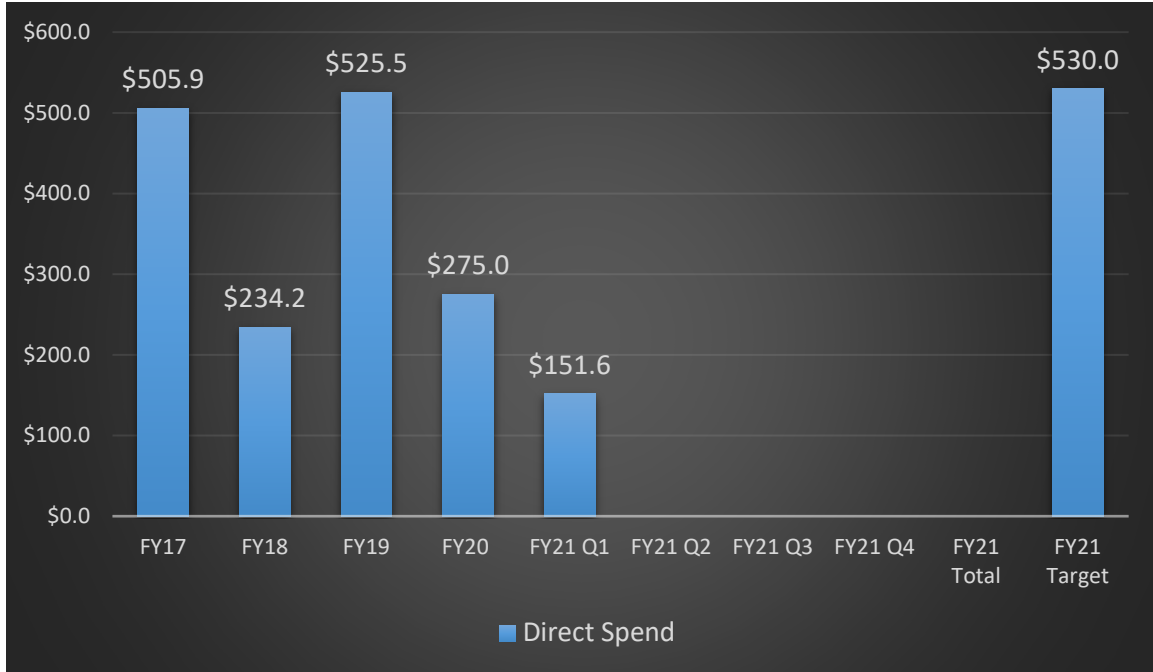
PERFORMANCE MEASURE #2

Estimated Direct spending by film industry productions, in millions

Results

FY17	FY18	FY19	FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
\$505.9	\$234.2	\$525.5	\$257.3	\$151.6					\$530

Graph of Data Above



MEASURE DESCRIPTION: Total New Mexico qualifying estimated direct production expenditures.

DATA SOURCE/METHODOLOGY: This data is based on information from registration forms provided by productions to the Film Division/NMFO. The data is submitted to the Taxation & Revenue Department to verify that the expenditures are purchased from New Mexico vendors and that NM GRT was paid. For a list of qualifying expenditures visit: <http://www.tax.newmexico.gov/Tax-Professionals/film-production-tax-credit.aspx>.

STORY BEHIND THE DATA: The COVID-19 pandemic brought global film/TV production to a standstill in FY20 through almost the end of Q1 FY21. Physical production in New Mexico began to very gradually open up in late September 2020, almost the end of Q1 FY21, thus the significantly decreased direct production spend for this quarter.

IMPROVEMENT ACTION PLAN: The New Mexico Film Office works diligently to recruit productions to the state and keep the pipeline full. Further, with the introduction and implementation of State and industry guidelines and best practices for health safety during the COVID-19 pandemic, and productions' strict adherence to them, we expect continual improvement in the amount of direct production spend over the course of FY21, despite the pandemic, that is, unless there is a state-wide outbreak or other unpredictable COVID-related circumstances that could potentially pause production again.

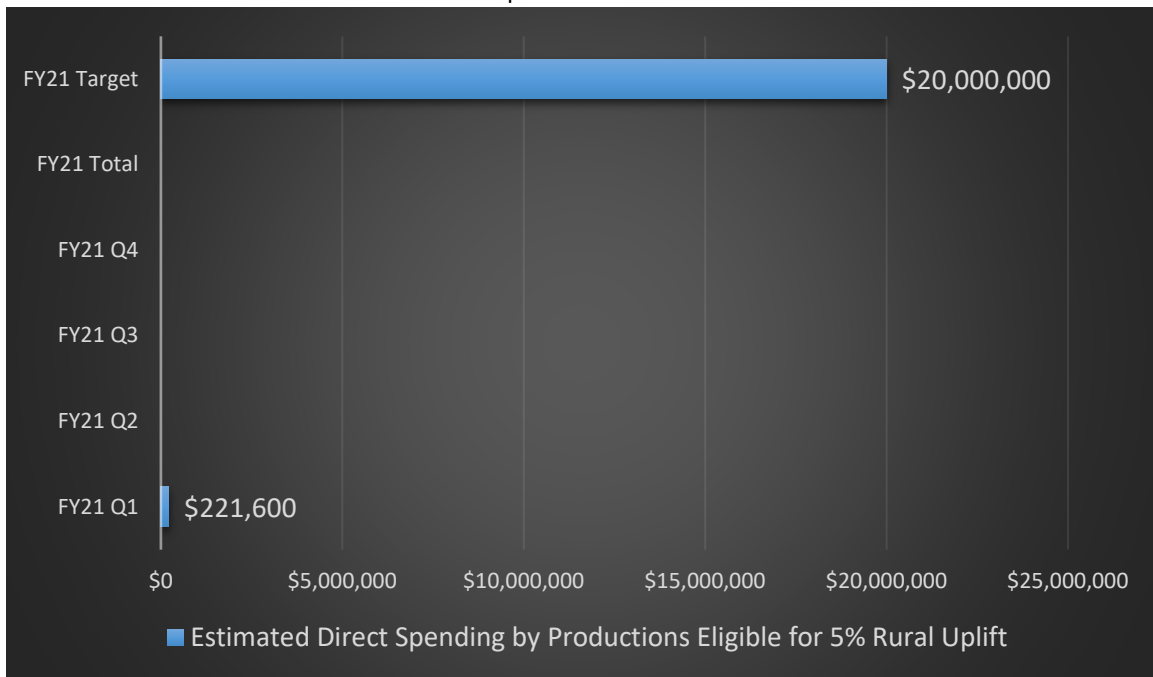
PERFORMANCE MEASURE #3

Estimated Direct spending by film industry productions eligible for the additional 5 percent credit in rural areas, in millions

Results

FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
\$221.7					\$20

Graph of Data Above



MEASURE DESCRIPTION: Estimated direct spend by productions that are eligible for the 5% rural uplift.

DATA SOURCE/METHODOLOGY: This data is based on information from registrations forms provided by productions to the Film Division/NMFO that indicate a plan to film in rural areas. It's calculated using their total NM budget, multiplied by the percentage of their shoot that will be in the designated rural zone.

STORY BEHIND THE DATA: The COVID-19 pandemic brought global film/TV production to a standstill in FY20 through almost the end of Q1 FY21. Physical production in New Mexico began to very gradually open up in late September 2020 (almost the end of Q1 FY21), thus the significantly low estimated spending by film industry productions eligible for the additional 5% credit in rural areas.

IMPROVEMENT ACTION PLAN:

Outdoor Recreation Division

Division Mission: The Outdoor Recreation Division works to ensure that all New Mexicans gain from the public health, environmental, and economic benefits of sustainable outdoor recreation.

Division Goals/Objectives: Increase outdoor recreation’s contribution to state GDP; Increase outdoor recreation jobs in New Mexico; Provide safe, healthy opportunities for outdoor recreation, especially for youth; Increase awareness of New Mexico as a world-class outdoor recreation destination for businesses and tourists.

Program Description, Purpose and Objectives: The Outdoor Recreation Division (ORD) works to ensure that all New Mexicans gain from the public health, environmental, and economic benefits of sustainable outdoor recreation. To do that, the two-person ORD team focuses on a few key impact areas: economic development; promotion of outdoor-recreation assets; conservation; and education and public health programs. The ORD connects both in- and out-of-state outdoor-recreation companies to EDD programs such as the \$75-million closing fund LEDA and the jobs training incentive program (JTIP), with the goal of relocating and/or expanding such businesses in New Mexico. The ORD develops outdoor recreation infrastructure (ex: trails, enhanced campgrounds, public shooting ranges) via the Special Projects and Infrastructure Fund. The office partners with federal and state land management agencies to make public lands and waters—and the outdoor-recreation opportunities they promise—healthier and more accessible. It also partners with key stakeholders on developing state and federal policy to protect and enhance New Mexico’s natural resources. The ORD works to make access to the outdoors more equitable for New Mexican youth, and to that end, the office oversees the Outdoor Equity Fund (OEF). Finally, ORD serves as a public-facing champion of New Mexico's great outdoors, with the ultimate goal of making the state an internationally recognized outdoor destination for visitors, residents, and companies.

Program Budget (in thousands):

FY21	General Fund	Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	\$ 201.4				\$ 201.4	2
300	\$ 30.0				\$ 30.0	
400	\$ 120.0	\$ 100.0			\$ 220.0	
TOTAL	\$ 351.4	\$ 100.0			\$ 451.4	

Program Performance Measures:

1. Number of new outdoor recreation jobs created by ORD;
2. Number of outdoor recreation conservation and access projects funded and/or led by ORD, including via the Special Projects and Infrastructure Fund grant;
3. Number of youth to benefit from outdoor education programs, including Outdoor Equity Fund grant;
4. The value of earned and owned media impressions for the ORD and/or New Mexico outdoor recreation.

PERFORMANCE MEASURE #1

Number of new outdoor recreation jobs created by ORD

Results

FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
40	0					Explanatory

MEASURE DESCRIPTION:

The number of outdoor-recreation-related jobs created by ORD.

DATA SOURCE/METHODOLOGY:

Official reports submitted by private companies to EDD through JTIP and LEDA programs, as well as through official outdoor recreation incubator grant reports.

STORY BEHIND THE DATA:

ORD helped co-launch the state's first outdoor recreation trade alliance, called endeavOR New Mexico. This group is built in part off the inventory of 226 outdoor recreation companies ORD compiled in fall 2019. The trade alliance will be a valuable economic development partner when it comes to recruiting new outdoor recreation companies to New Mexico and helping existing ones expand.

During FY21 Q1, the outdoor recreation incubator created by CreativeStartups and funded in part by ORD went on a brief hiatus due to COVID-19-induced marketing difficulties. ORD has worked with the nonprofit on new marketing materials and will open this program to entrepreneurs again in late October. This new cohort should generate more jobs and outdoor recreation companies in FY21 Q2.

ORD is also partnering with the Department of Workforce Solutions on the state's first-ever Sector Strategy convening for the outdoor industry. This two-month process will result in a detailed analysts and data about the workforce needs of outdoor recreation employers in the state, which in turn will help ORD and state educators create workforce training and apprenticeship programs within this sector of the economy.

ORD continues with weekly outreach to New Mexican outdoor recreation companies to assist with their expansion efforts. There are a number of existing leads, but ORD has found most companies it works with have put all hiring plans on hold during the pandemic. Efforts have pivoted to helping businesses stay afloat during this public health crisis, so they can recover and build back better when the economy improves.

PERFORMANCE MEASURE #2

Number of outdoor recreation projects funded and/or led by ORD

Results

FY20	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY20 Target
11	0					Explanatory

MEASURE DESCRIPTION:

The number of outdoor recreation projects funded and or led by ORD. Currently, the primary funding source is the Special Projects and Infrastructure Fund.

DATA SOURCE/METHODOLOGY:

This data comes from ORD's Special Projects and Infrastructure Fund as well as ORD's inventory of current projects

STORY BEHIND THE DATA:

ORD successfully launched the pilot Special Projects and Outdoor Infrastructure grant in summer 2020. The grant saw 50 eligible applications with a total funding request of ~\$750,000. ORD will make grant announcements in October and will have funded at least three to five of these projects in FY21 Q2.

ORD is also partnering with NMDOT on a \$76,000 education curriculum and signage project to promote the message of responsible recreation throughout the state. This work will begin in earnest in FY21 Q2/Q3, with locally made signs going up throughout the state.

PERFORMANCE MEASURE #3

Number of youth to participate in ORD outdoor education programs, including the OEF

Results

FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
2,695					Explanatory

MEASURE DESCRIPTION:

The number of 18 and younger youth to participate in an ORD outdoor education program, including the Outdoor Equity Fund

DATA SOURCE/METHODOLOGY:

ORD's official OEF student enrollment report via Jotform / AmpliFund grant software

STORY BEHIND THE DATA:

In August 2020, ORD announced the 25 recipients of the Outdoor Equity Fund grants. In this inaugural cycle, OEF invested in programs to get approximately 2,695 New Mexicans under 18 outside. More than half of these youth come from low-income communities. Almost 500 identify as Indigenous youth. ORD expects this number to continue to grow in late FY21 and FY22, as demand was high. Eight-four eligible organizations applied to the fund, with a total request of over \$1 million. If ORD were able to fully fund this, it would have gotten 36,000 young New Mexicans outside.

ORD also continues to work on its National Park Service-funded Cradle to Career Outdoor Strategy. It will publish this implementation and strategy report in FY21 Q4 with the two-fold goals of getting more New Mexican students access to the outdoors through education systems and increasing the number of youth in outdoor industry apprenticeship and mentorship programs.

PERFORMANCE MEASURE #4

The value of earned and owned media for ORD and/or New Mexico outdoor recreation

Results

FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
5,023 owned media followers					Explanatory
39 earned media articles					

MEASURE DESCRIPTION:

The total number of media stories to cover the ORD and/or outdoor recreation in New Mexico due to ORD efforts. We'll further rank the stories based on their quality, which is a mixture of the size of the publication and whether the message conveyed in the story accurately reflects the mission of the ORD. We'll also measure the amount of owned media for the ORD: the number of readers/unique visits to the website and newsletter, plus social media followers.

DATA SOURCE/METHODOLOGY:

Articles published on the ORD and/or outdoor recreation in New Mexico, tracked by our marketing team and Google Analytics; Digital analytics tool for Squarespace; official social media counts.

STORY BEHIND THE DATA:

In FY21 Q1, ORD earned impressions on 39 earned media articles, including ones in two national outlets. It also grew the total amount of owned media (social platforms, website and newsletter) to 5,023, with 341 Twitter followers, 2,941 website uniques, and 1,741 newsletter subscribers.

A particular highlight is the headliner coverage in *Mountain* magazine, a national outdoor recreation industry publication, on Santa Fe as an international mountain bike destination. ORD worked with the editorial leadership team to hold the bike test photo shoot at Santa Fe, photos that will be featured on the magazine's cover, Front of Book, and website. One example below:

<http://www.mountainonline.com/fat-tire-stimulus/>

The most notable success was the launch of ORD's first newsletter, which publishes biweekly with updates about ORD and New Mexico outdoor recreation. The subscriber list is already at just over 1,700 and growing every week.

The full list of Q1 FY21 earned media articles:

1. <http://www.mountainonline.com/fat-tire-stimulus/>
2. <https://www.kunm.org/post/let-s-talk-youth-covid-summer-break-shutdown>
3. <https://www.kunm.org/post/let-s-talk-youth-covid-summer-break-shutdown>
4. <https://www.abqjournal.com/1475170/wild-and-scenic-legislation-was-right-call-by-udall-heinrich.html>
5. <https://santafe.com/podcasts/axie-navas-jarrett-sasser-scott-hussion-mccall-sides-join-host-richard-eeds-for-the-maiden-voyage-of-experience-new-mexico>
6. <https://www.lcsun-news.com/story/opinion/2020/07/13/our-wild-lands-and-rivers-some-best-places-us-invest/5420854002/>
7. Local Flavor print story
8. <https://ladailypost.com/new-mexico-outdoor-recreation-division-awarded-national-park-service-grant/>
9. <https://www.sfreporter.com/news/morningword/2020/07/15/new-mexico-covid-19-cases-15514-2/>
10. <https://www.snewsnet.com/news/outdoor-industry-buzz-07-15-2020>

11. <https://www.abqjournal.com/1476722/trail-projects-in-the-pipeline.html>
12. <https://www.facebook.com/MartinHeinrich/videos/275172426906249>
13. Silver City Daily Press print story
14. [FULL video](#)
15. https://www.outsideonline.com/2415286/rv-camper-rental-safety-coronavirus?utm_campaign=rss&utm_source=feedly&utm_medium=xmlfeed
16. <https://www.krwg.org/post/applications-due-outdoor-equity-fund-grants>
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23. <https://www.newmexico.org/nmmagazine/articles/post/roy-rock-climbing-secrets/>
24. <https://www.abqjournal.com/1488842/new-outdoor-rec-trade-association-forms.html>
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26. <https://www.easternnewmexiconews.com/story/2020/08/26/news/business-digest-aug-26/166458.html>
27. <https://publicnewmexico.com/2020/09/01/states-push-for-outdoor-equity-is-popular-here-and-nationwide/>
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29. <https://www.qcsunonline.com/story/2020/09/02/news/group-launched-to-advocate-for-outdoor-recreation/21512.html>
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32. <https://www.abqjournal.com/1488463/great-outdoors-etiquette.html>
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34. https://www.santafenewmexican.com/ap/panel-new-mexicos-outdoor-future-tied-to-access-education/article_fe32fe8e-da41-5327-b025-1f68b58ff262.html
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36. <https://www.lascrucesbulletin.com/stories/nm-outdoor-recreation-division-announces-outdoor-equity-fund-recipients,4792>
37. <https://www.scsun-news.com/story/news/2020/09/16/grant-county-programs-get-funds-provide-youth-access-outdoors/5806601002/>
38. <https://www.abqjournal.com/1498192/equity-fund-introduces-kids-to-outdoors.html>
39. <https://www.sfreporter.com/news/morningword/2020/09/16/gun-used-in-white-shooting-may-be-mia/>
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