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# FY21 QUARTER #3 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:** Facilitate 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)

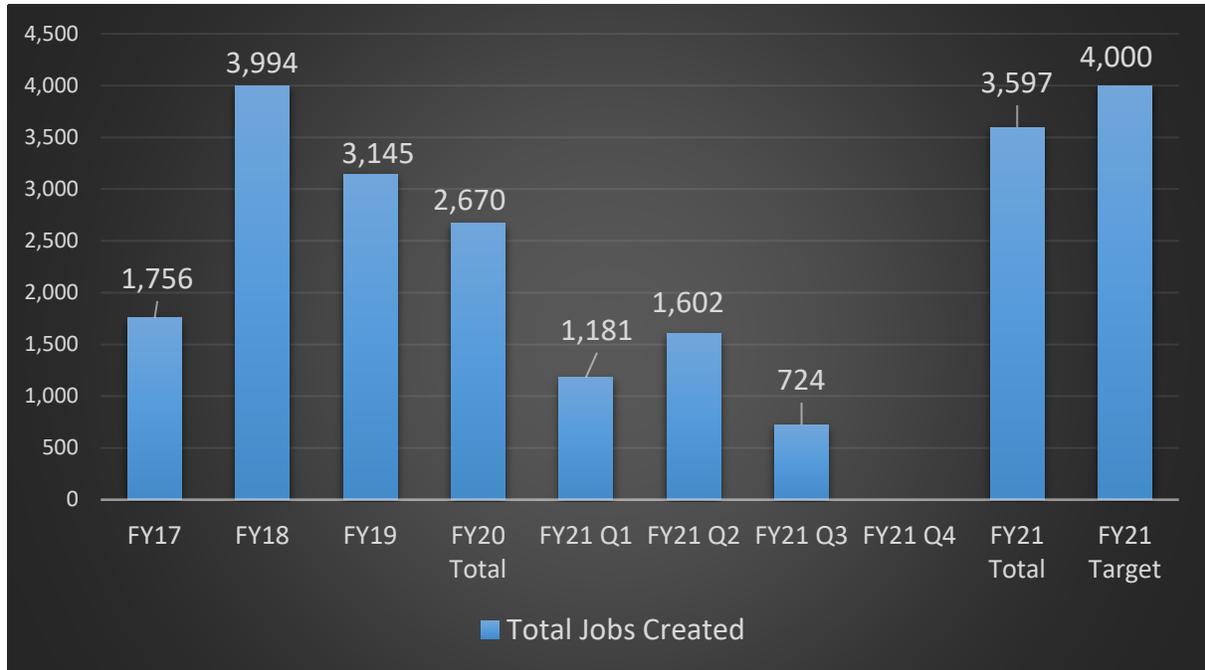
# PERFORMANCE MEASURE #1

*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	1,181	1,602	724		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:** During the third quarter 33 companies were supported in creating new jobs and investment by JTIP, LEDA and/or the New Mexico Partnership. These company expansions represent 724 new jobs statewide.

**IMPROVEMENT ACTION PLAN:** EDD is on track to meet its fiscal year target.

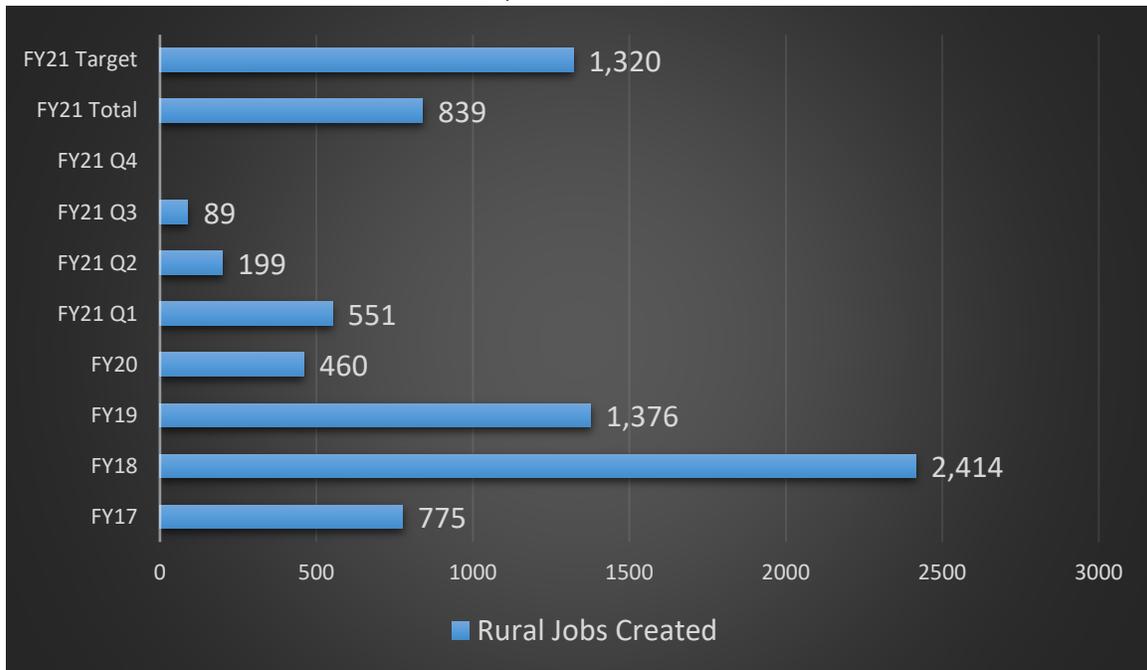
## PERFORMANCE MEASURE #2

*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	199	89		839	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:** Ten of the 33 companies assisted during the quarter are located in rural communities: Deming, Las Vegas, Mesilla Park, Prewitt, Roswell, Santa Teresa, Sunland Park, and Truth or Consequences.

**IMPROVEMENT ACTION PLAN:** EDD is on track to achieve the target of 1,320 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	\$62,219	\$43,388			\$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:** Data for the performance measure comes from two separate sources. The first, for JTIP, comes from the approved jobs for fiscal year 21, quarter 3. The second source, for LEDA, comes from the deals that have been finalized during the third 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.

**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	\$18,407.13	\$186.46			\$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:** Data for this performance measure comes from three separate sources. The first, for JTIP, comes from the approved jobs for FY21, quarter 3, and the approved wages for those positions. The second source, for LEDA, comes from the deals that have been finalized during the third 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.

**IMPROVEMENT ACTION PLAN:**

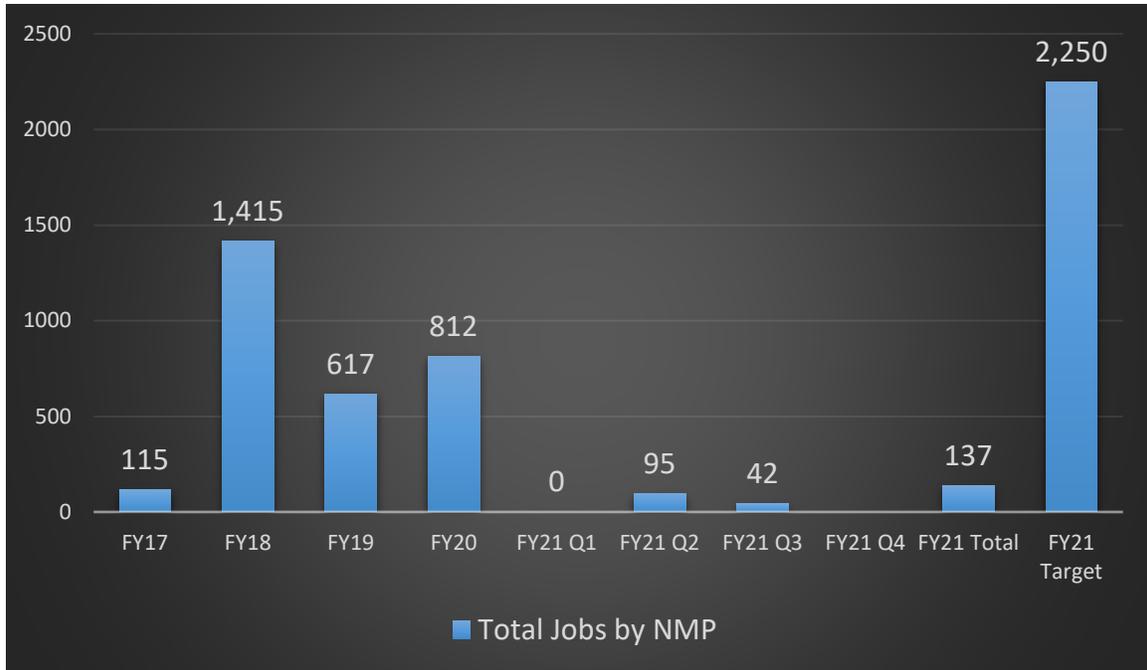
# PERFORMANCE MEASURE #5

*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	95	42		137	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 with 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:**

- Bicycle Health selected Santa Fe for virtual health services and has hired 3-5 medical professionals and will hire up to 10 account representatives by the end of the year.
- Rio Blue Produce selected Santa Teresa for a 60,000 SF distribution facility and will hire 20 employees.
- Sierra Madre Produce selected Santa Teresa for a 32,000 SF distribution facility and will hire 12 employees.

**IMPROVEMENT ACTION PLAN:** COVID-19 continues to impact economic development around the US. We are starting to see some movement nationally for new projects and have added several new leads and projects to the pipeline. We did have several smaller locates this quarter for companies that needed to expand their supply chain capabilities. We will continue these types of projects and industries for the next several months as they have the highest likelihood of selecting a location during the pandemic.

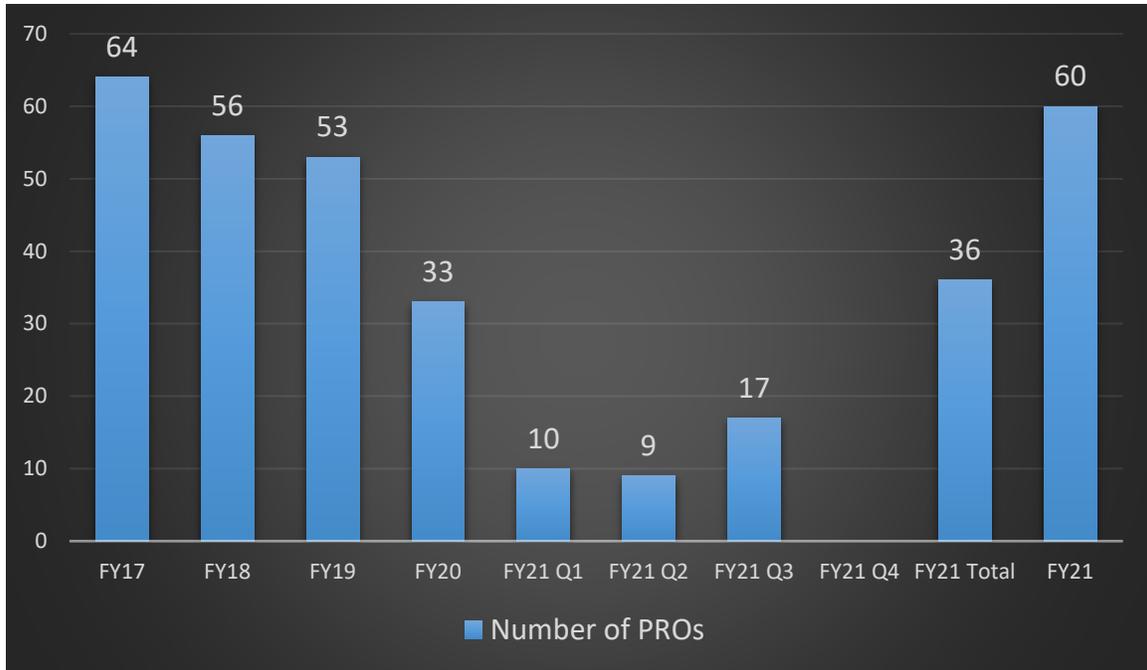
## PERFORMANCE MEASURE #6

*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	9	17		36	60

Graph of Data Above



**MEASURE DESCRIPTION:** A “prospective company” is a business 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:** Seventeen PROs were generated in the third quarter, which is almost three times higher than the same quarter last year. 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 are actively pursuing other virtual options. During this quarter, we participated in 3 virtual trade shows and more than 10 other virtual webinars, meetings, and networking opportunities. These efforts have resulted in over 379 new contacts. 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	2	3		7	12

**MEASURE DESCRIPTION:** A site visit is 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 New Mexico.

**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 site visits from the same company are not included in these totals.

**STORY BEHIND THE DATA:** Project Nogal came for a site visit on 2.1.21 and on 3.26.21. Project Azul came for a site visit 2.12.21. Project Raven did a **virtual site visit** 3.29.21.

**IMPROVEMENT ACTION PLAN:** The global pandemic and uncertainty around travel continue to impact in-person site visits. It is now very common for virtual tours to be done before an in-person visit. With shifting travel restrictions across the US, we are unsure when site visits will go back to “normal”. We 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 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 includes the Technology Research Collaborative (TRC) and the SBIR Match and Business Start-Up grants; and the Office of International Trade, which includes Foreign Direct Investment.

**OBJECTIVES:**

- Enhance business retention and expansion efforts within each region by identifying each economic base company within the region and developing 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	
<b>TOTAL</b>	\$ 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

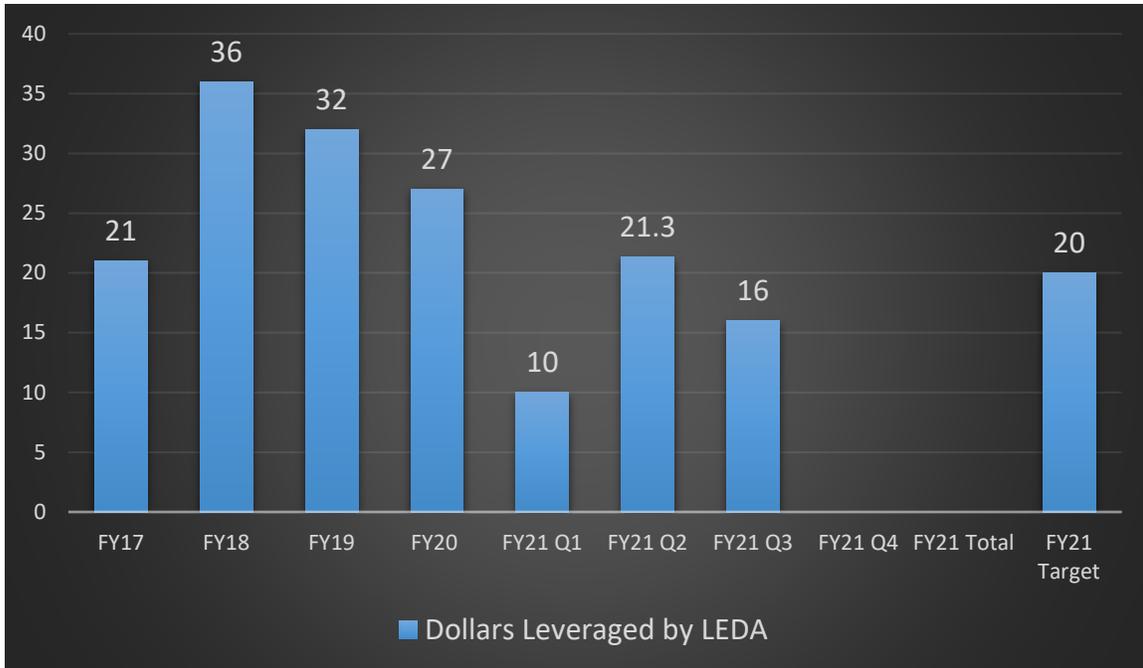
# PERFORMANCE MEASURE #1

*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	21.3	16			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
Bueno Foods	49	\$10,000,000	\$500,000
Build with Robots	64	\$5,000,000	\$360,000
Los Poblanos	24	\$2,250,000	\$250,000
<b>Totals</b>	<b>137</b>	<b>\$17,250,000</b>	<b>\$1,110,000</b>

Private investment of \$17,250,000/LEDA investment of \$1,110,000=16

**IMPROVEMENT ACTION PLAN:** Projects vary over time. We expect to achieve the target by the end of the fiscal year.

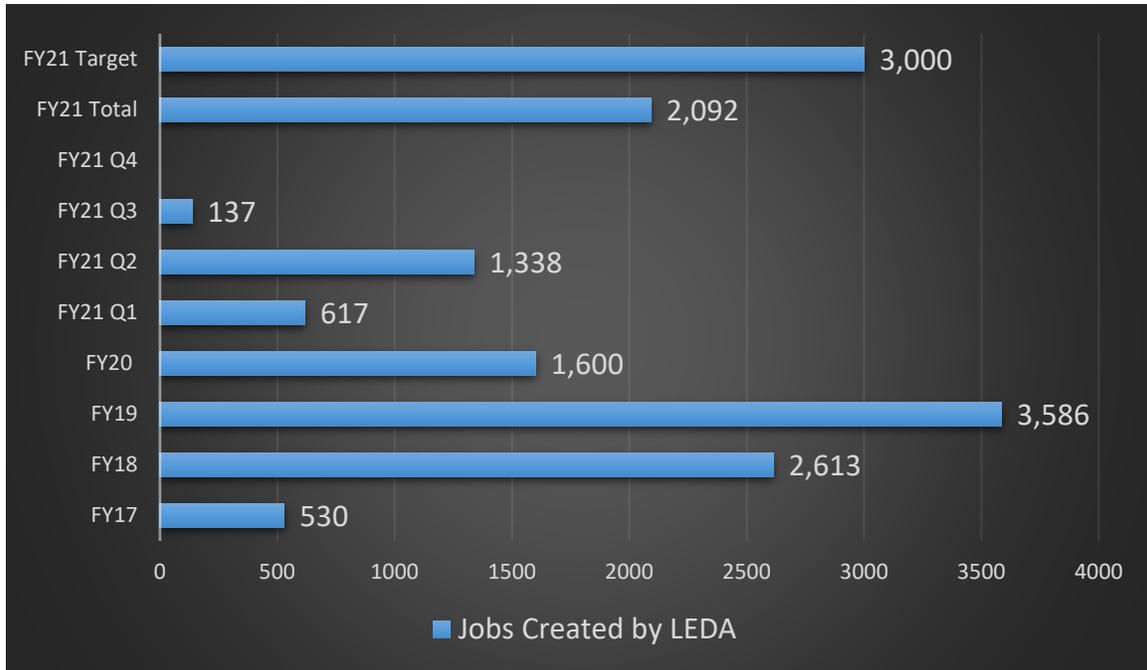
## PERFORMANCE MEASURE #2

*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	1,338	137		2,092	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:**

- Bueno Foods has been operating in New Mexico for 70 years. The company is the premier producer of New Mexican foods, including red and green chile, tortillas, posole, tamales, enchiladas, salsas and sauces. Bueno Foods is expanding, adding a new 25,000 square foot freezer warehouse. The company is investing \$10M in the project and has been approved for \$500,000 in LEDA support for 49 jobs over the next five years at its manufacturing facility in Albuquerque.
- Build With Robots is an Albuquerque company that designs and manufactures smart robots to disinfect and sanitize large areas such as schools and airports. The company is moving its corporate headquarters to Albuquerque this year. Build With Robots is investing \$5M in this expansion and has been approved for \$360,000 in LEDA support for 64 jobs by the end of 2024.
- Los Poblanos Historic Inn and Organic Farm supports local farmers and ranchers by purchasing local agricultural products that are used in their food manufacturing. The company will be expanding to year-round manufacturing, adding 5,000 square feet of production space and 4,000 square feet of warehouse capacity at their Albuquerque facility. Los Poblanos has been approved for \$250,000 in LEDA support for 24 jobs over the next 5 years.

**IMPROVEMENT ACTION PLAN:** Projects vary over time, and Covid-19 has had some effects. We believe the annual target is very large there is still belief we can get there.

## 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	\$38,768	\$44,171			\$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 third 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:** Three projects are reported and the average wage associated ranges between \$18-\$34 per hour. The cost per job for all jobs and LEDA awards is \$8,102.

**IMPROVEMENT ACTION PLAN:**

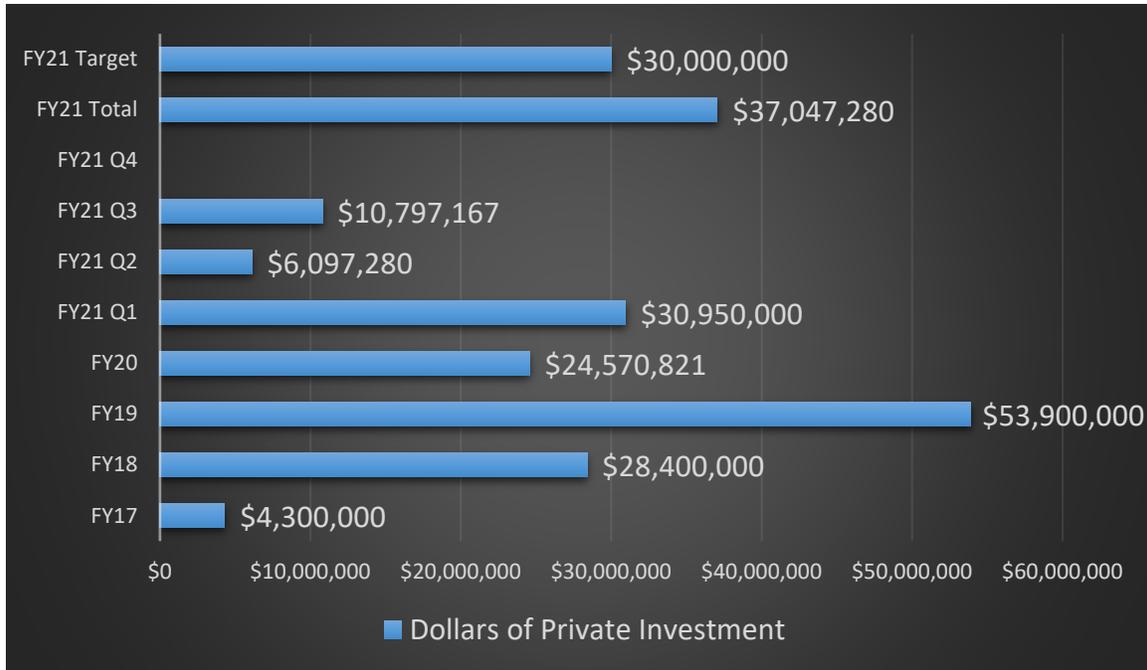
## PERFORMANCE MEASURE #4

*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	\$6.1	\$10.8		\$49.0	\$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:**

- The positive trend in real estate also continued into the third quarter of FY 2021, with over \$7.8 million in real estate purchases occurring.
- Belen is welcoming a new apartment complex which adds six new units to the district, at a total cost of \$250,000.
- Key buildings within the Nob Hill MainStreet district have now changed ownership, representing over \$4 million in investment to acquire 3 historic buildings, including the Monte Vista Fire Station, and the former Kelly’s Brew Pub building.
- Las Cruces building and business owners continue to make large investments in anticipation of the end of the pandemic, investing over \$1 million in rehabilitation and improvements to existing buildings.
- Artesia MainStreet similarly saw \$173,345.24 in private investment for remodeling, and improvements to buildings there.

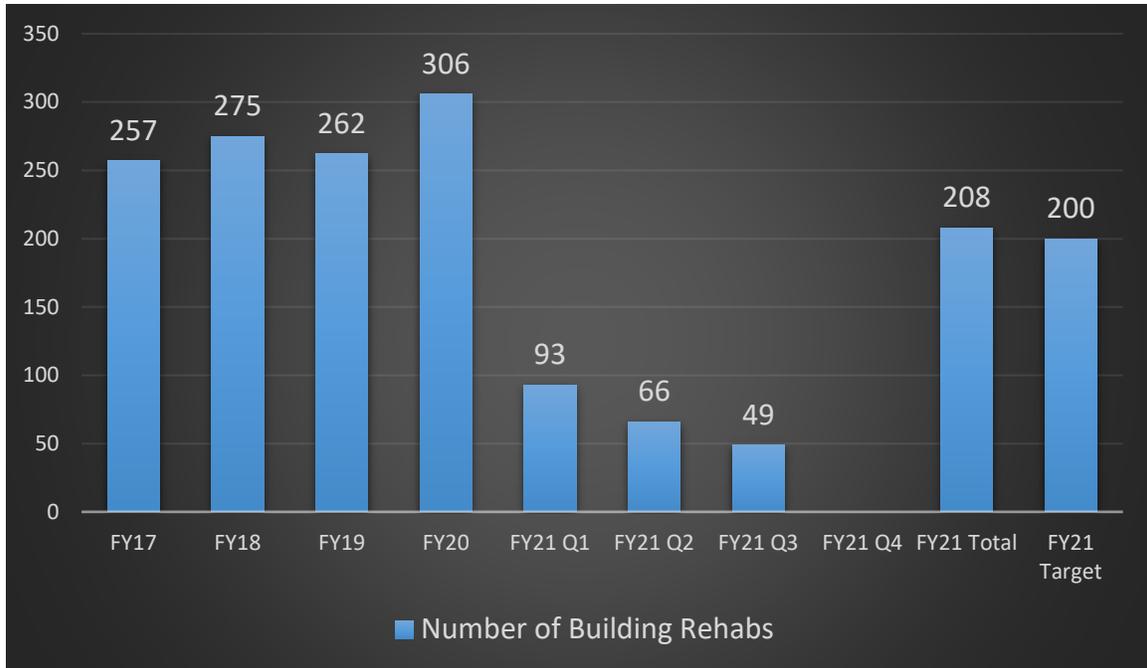
## PERFORMANCE MEASURE #5

*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	66	49		208	200

Graph of Data Above



**MEASURE DESCRIPTION:** Total number of building rehabilitation projects, including repairs, renovations, modifications, or reconstruction.

**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:**

- The positive trend of investment into private building rehabilitations and improvements throughout the pandemic continued into Q3 of FY2021, with over \$2.8 million invested in these kinds of projects this quarter.
- In Belen, there were investments made in interiors and exteriors of stores worth over \$195,000, signaling the district is preparing to attract new tenants to empty store fronts created by business closures during the pandemic.
- The Carlsbad MainStreet district had over \$455,000 in rehabilitation work completed in the quarter with the addition of a new bike shop (which also added a new job and purchased the building for \$250,000) and other building owners appearing to upgrade their asset to attract new tenants.
- Las Cruces building and business owners continue to make large investments in anticipation of the end of the pandemic, investing over \$1 million in rehabilitation and improvements of existing buildings.

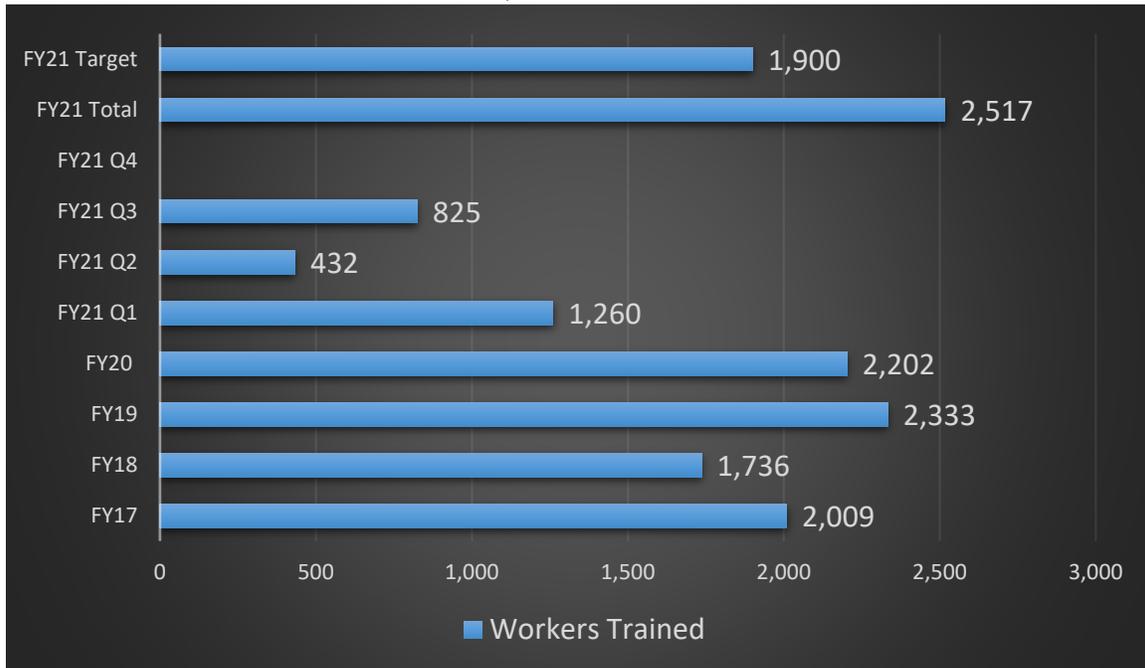
## PERFORMANCE MEASURE #6

*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	432	825		2,517	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.

Thirty-one companies were approved by the JTIP board in the third quarter, seven of which were new to the JTIP Program. 811 new jobs were approved at an average wage of \$20.14 per hour. 165 of the new jobs were high-wage, of which 115 were located in urban areas with at least a \$60,000 annual salary, and 50 located in rural areas with at least a \$40,000 annual salary. Fourteen internships were approved at an average wage of \$14.69 per hour. 263 of the approved jobs were in rural communities such as Las Vegas, Deming, Prewitt, Mesilla Park, Moriarty, T or C, Sunland Park and Roswell. The average wage for jobs approved in rural areas was \$15.66. Six productions were approved for FCAP, to train 37 crew members at an average wage of \$28.65 per hour.

## 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	\$47,701	\$32,912			\$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 Q3 FY21 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 Q3 is \$41,888. The cost per job for these JTIP jobs is \$8,976.

**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 fiscal year, the final outcome cannot be measured 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	\$170M	0		\$170M	\$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:** This quarter there were no additional reports from companies on follow-on funding received.

**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, the Manufacturing Extension Partnership and the Procurement Technical Assistance Centers 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.

- In Q3, OST and New Mexico Cybersecurity Centers of Excellence designed a 3-day workshop for New Mexico science and technology businesses on meeting new cybersecurity requirements set forth by the federal government. The federal government issued new requirements called CMMC, Cybersecurity Maturity Maturation Compliance, which all businesses with government contracts will be required to meet by 2035.

The OST manages two grant programs for small businesses: The NM SBIR and the Science and Technology Business Start-Up grants :

- Small Business Innovation Research (SBIR) grants are competitive federal grants that support small businesses engaged in research and development (R&D) with a potential for commercialization. SBIR grants cover costs associated with R&D, but do not cover expenses related to business development. Ineligible costs include marketing and salaries for employees related to business operations. The New Mexico SBIR grant provides recipients additional resources to commercialize the technology developed with federal SBIR funding. This program leverages the fact that SBIR recipients have technologies vetted by national experts and provide funding that covers proof-of-concept and R&D funding. State level matching programs nationwide are found to catalyze follow-on funding, stimulate business growth and expansion, generate wealth, increase tax revenues, and the commercial viability of the receiving firms.
- Science and Technology Business Start-Up grants support small businesses in the science and technology field that have fewer than 50 employees and a high potential for growth. Eligible companies demonstrate a scalable product and business model with high potential to create jobs and/or generate private investment.
  - OST issued a solicitation for Business Startup Grants in Q3 and received a total of 58 interested applicant businesses. OST and the TRC board will issue four to six grant awards, up to \$25,000 each, in Q4.

## 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	\$2,000,000	0		\$2,000,000	\$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:** There were no foreign direct investment projects announced in Q3.

**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 has established a trade office in Taiwan and is working with two contractors to actively recruit investment from countries, including Taiwan, Mexico, Germany, Japan, the United Kingdom, and Canada.

## PERFORMANCE MEASURE #10

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

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### Results

FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
\$861,933	\$1.5M	0		\$2.4M	\$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:** There were no federal grant dollars awarded to NM communities, organizations, or companies as a result of economic development department efforts in Q3.

**Do we have any new grants to count?**

## 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 productions, promotes jobs for New Mexicans, works to maintain the film production tax credit and oversees registrations and processes for the registration of the film incentive. The division offers information, guidance, and resources to production executives, producers, directors, crew, local filmmakers, and the community, and works diligently to assist with the marketing of potential filming locations and locating local crew, resources, talent, vendors, and film liaisons. The Film Office consults with productions regarding the financial and aesthetic aspects of their projects, assisting them throughout the incentive process, such as the Film Production Tax Credit and the Job Training Incentive Program for Film & Multimedia. The Film Division continues to focus on three main initiatives: (1) Recruitment: Television, Feature Productions and Digital Emerging Media Projects; (2) Workforce Development; and (3) Statewide Industry Outreach.

**OBJECTIVES:**

- Continue to promote the Film Production Refundable Tax Credit program, locally, nationally, and globally.
- Continue to expand and strengthen relationships with studios/production companies to: attract television series, feature films, commercials and other media entertainment and production, as well as post-production, animation and more, thereby creating jobs for New Mexicans.
- Increase recruitment, marketing, 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 (currently 6)
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

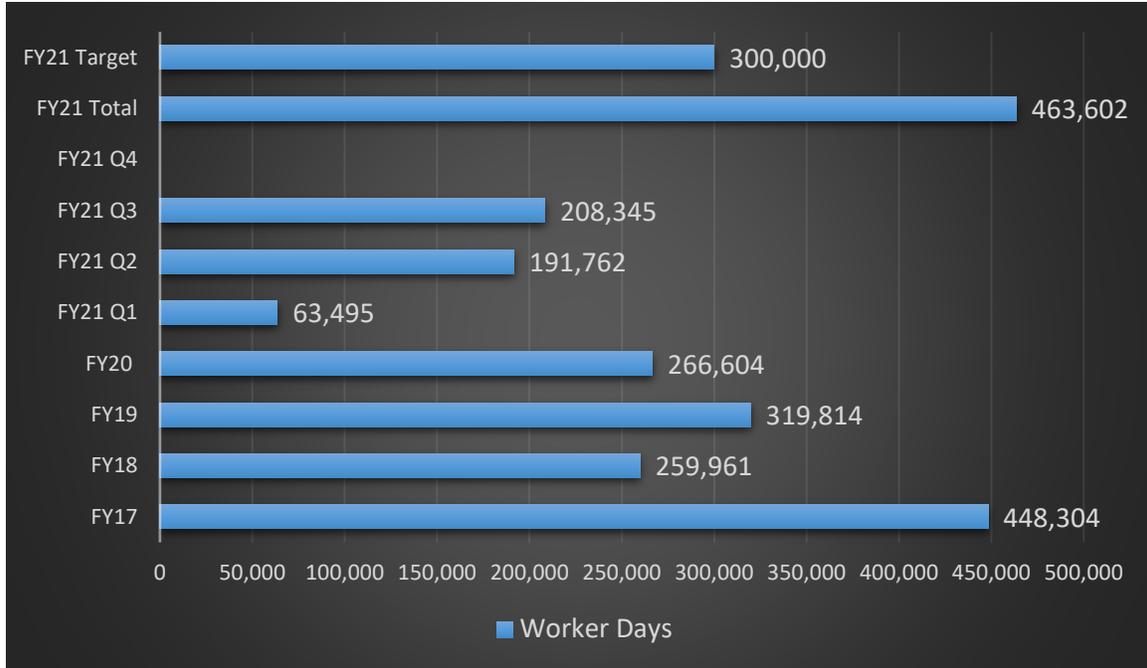
# PERFORMANCE MEASURE #1

*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	63,495	191,762	208,345		463,602	300,000

Graph of Data Above



*\*Information reported are estimates based on registrations submitted to the New Mexico Film Office by productions and can fluctuate based on variables including, but not limited to, changes to schedule and budget as well as operational and other unforeseen circumstances such as COVID-19.*

**MEASURE DESCRIPTION:** Reflects the estimated NM resident crew size multiplied by the estimated number of days employed.

**DATA SOURCE/METHODOLOGY:** The data is based on information from the NMFO registration forms provided by productions and reflects the estimated NM resident crew size multiplied by the estimated number of days employed.

**STORY BEHIND THE DATA:** The COVID-19 pandemic brought global film/TV production to a standstill in March 2020 and re-opened in New Mexico in September 2020. Productions have since been working at a steady pace, thus the increase and significant amount of worker days shown above. Despite the pandemic, the film industry has bounced back swiftly and safely, and we expect to see strong numbers throughout the last quarter of FY21.

**IMPROVEMENT ACTION PLAN:** While still in the midst of the COVID-19 pandemic, we continue to focus on the health and safety of New Mexicans, first and foremost, by helping to ensure productions' strict adherence to COVID safe practices and all other protocols and mandates. Secondly, we will continue to ramp up our recruitment efforts to continue to bring increased production work to New Mexico and continue to support and provide training programs to scale up and grow our NM resident workforce.

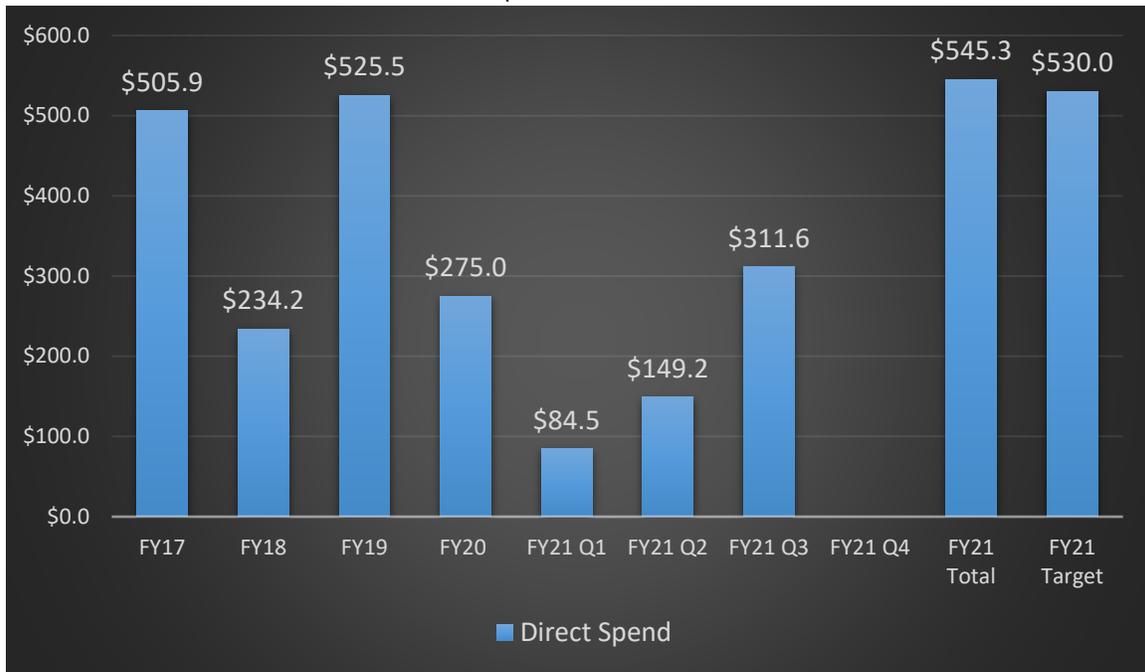
## PERFORMANCE MEASURE #2

*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	\$84.5	\$149.2	\$311.6		\$545.3	\$530

Graph of Data Above



*\*Information reported are estimates based on registrations submitted to the New Mexico Film Office by productions and can fluctuate based on variables including, but not limited to, changes to schedule and budget as well as operational and other unforeseen circumstances such as COVID-19.*

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

**DATA SOURCE/METHODOLOGY:** This data is based on information from registration forms provided by productions to the Film Division/NMFO.

**STORY BEHIND THE DATA:** The COVID-19 pandemic brought global film/TV production to a standstill in March 2020. The industry re-opened in New Mexico in September 2020 and productions have since been ramping up each quarter, as evidenced by the graph above.

**IMPROVEMENT ACTION PLAN:** The New Mexico Film Office works diligently to recruit productions to the state and keep the pipeline full. 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 growth in the amount of direct production spend over the remaining quarter of FY21.

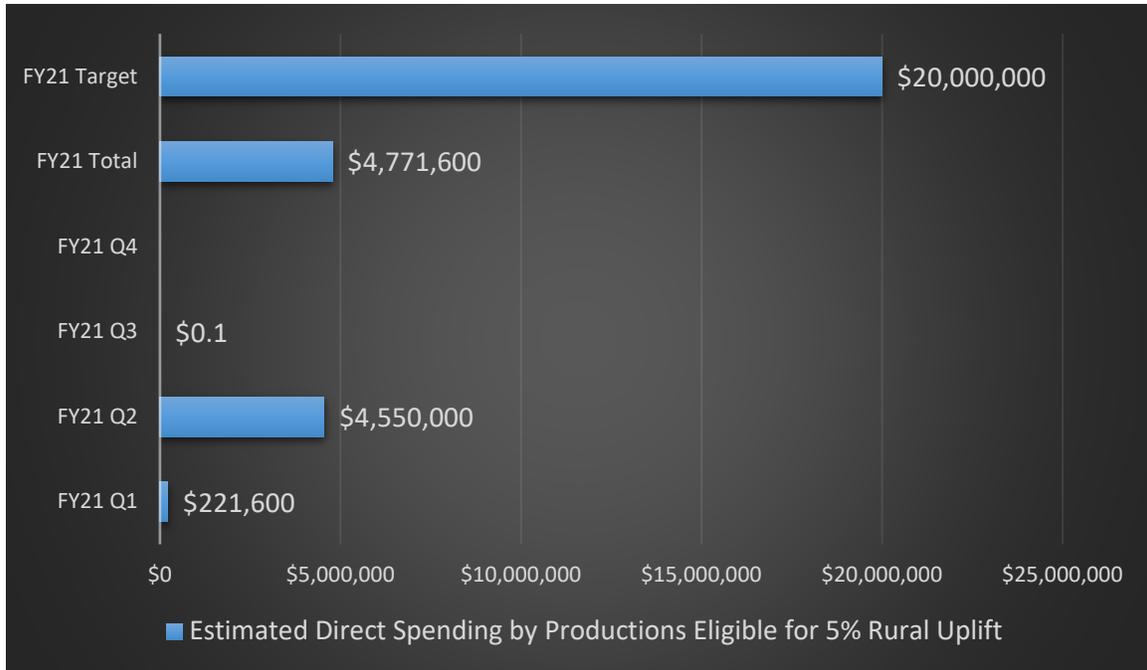
## PERFORMANCE MEASURE #3

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

### Results

FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY21 Total	FY21 Target
\$ .2	\$4.6	\$ .1		\$4.9	\$20

Graph of Data Above



*\*Information reported are estimates based on registrations submitted to the New Mexico Film Office by productions and can fluctuate based on variables including, but not limited to, changes to schedule and budget as well as operational and other unforeseen circumstances such as COVID-19.*

**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 the 5% rural uplift zone. The data is calculated using a production’s total NM budget, multiplied by the percentage of their shoot in the designated rural uplift zone.

**STORY BEHIND THE DATA:** The COVID-19 pandemic brought global film/TV production to a standstill in March 2020. The industry re-opened in New Mexico in September 2020. In Q2, we see a significant increase in rural spend due to a WB feature film. In Q3, rural spend is low, even though overall direct spend is high. This is because we have several high-budget productions at work, but none are in the rural uplift zone.

**IMPROVEMENT ACTION PLAN:** We will continue to market and promote the 5% uplift (“rural”) zone to decision makers in order to increase and expand production spend statewide and attract productions to all of our state’s diverse locations and landscapes. Further we will continue to improve and expand upon our Film Liaison program, supporting and urging liaisons to send photos of their respective towns, cities, and counties to be included in our Location Database. Finally, we plan to develop and launch a broader strategic marketing plan and campaign, and a key component will be to further market the rural/uplift zone to decision-makers. We will continue to leverage our multitude of existing marketing vehicles (social media, conferences, newsletters, website, etc.) and spotlight different areas around the state and the locations and assets available.

# 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 LEDA and the Job 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 grants;
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	9	0		9	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 continues with weekly outreach to New Mexican outdoor recreation companies to assist with their expansion efforts. There are a number of existing leads the division is pursuing, both to support expansion and relocation plans.

During FY21 Q2, the outdoor recreation incubator developed by Creative Startups and funded in part by ORD began its fall/winter online curriculum for outdoor recreation business entrepreneurs. ORD worked with the nonprofit on new marketing materials and helped re-open this program to entrepreneurs in late October. This new cohort generated nine new outdoor recreation startups in FY21 Q2. In FY21 Q3, ORD solicited applications for an outdoor recreation business accelerator to build off the work of the 2020 incubator. ORD will start to record results from those awards beginning in FY22 Q1.

ORD also continues to partner 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 analysis 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. The results from the convening will be published in May 2021.

## 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	6	0		6	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 drew 50 eligible applications with a total funding request of ~\$750,000. ORD awarded just over \$77,000 to six projects in the fall of 2020. For the full list of projects and the scope of the work, [read the EDD press release](#).

This program will re-launch in July 2021 with \$500,000 in funding. In addition to the outdoor infrastructure grant, ORD will oversee \$297,000 in Rio Grande Trail infrastructure funding in FY22.

## 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	428	0		3,123	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 Submittable grant software

**STORY BEHIND THE DATA:**

Throughout fall 2020, the Silver Stallion Mobile Ride Center, a mobile bike shop funded by the Outdoor Equity Fund, visited seven communities around Gallup and throughout the Navajo Nation to repair 428 bikes. ([Full report here.](#)) The \$10,000 OEF grant leveraged over \$40,000 in out-of-state funding to get the mobile bike shop started as part of broader Covid emergency response efforts.

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 goals of giving 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
<b>5,023 owned media followers</b>	4,025				Explanatory
<b>39 earned media articles</b>	29	22			

### 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 Q3, ORD earned impressions on 22 earned media articles, including in three national outlets. It also grew the total amount of owned media (social platforms, website and newsletter) to 4,670, with 458 Twitter followers, 1,900 website uniques (190% YoY growth), and 2,312 newsletter subscribers.

A particular highlight is the headliner coverage in *Outside* magazine, a national outdoor recreation industry publication, on the Silver Stallion Mobile Ride Center, which was funded by the Outdoor Equity Fund. The publication ran the video commissioned by ORD online, generating impressions for both the program and Gallup, and the Nation's mountain biking.

The full list of Q3 FY21 earned media articles:

1. <https://www.abqjournal.com/1532314/oneonone-with-axie-navas.html>
2. <https://ladailypost.com/edd-sets-groundwork-for-recovery-with-2020-initiatives-across-state/>
3. <https://ladailypost.com/new-mexico-takes-leadership-role-in-recreation-economy/>
4. <https://losalamosreporter.com/2021/01/19/los-alamos-residents-encouraged-to-give-input-on-outdoor-recreation/>
5. <https://www.lcsun-news.com/story/news/education/2021/01/19/new-mexico-state-senator-pushes-outdoor-classroom-opportunities/4216506001/>
6. <https://www.outsideonline.com/2420274/mobile-ride-center-navajo-nation>
7. <https://www.bizjournals.com/albuquerque/news/2021/01/22/outdoor-recreation-director-co-chair-multistate.html>

8. [https://www.kpvi.com/news/national\\_news/new-mexico-hopes-outdoor-recreation-industry-will-help-boost-state-economy/article\\_7d6f3600-8a36-5b6d-b2b2-b30728457c75.html](https://www.kpvi.com/news/national_news/new-mexico-hopes-outdoor-recreation-industry-will-help-boost-state-economy/article_7d6f3600-8a36-5b6d-b2b2-b30728457c75.html)
9. [https://www.santafenewmexican.com/news/business/new-mexicos-outdoor-division-director-to-lead-national-coalition/article\\_e947c178-5b33-11eb-9379-37a63b163bf5.html](https://www.santafenewmexican.com/news/business/new-mexicos-outdoor-division-director-to-lead-national-coalition/article_e947c178-5b33-11eb-9379-37a63b163bf5.html)
10. <https://www.krwg.org/post/voice-public-outdoor-recreation-and-equity-fund-new-mexico>
11. <https://www.abqjournal.com/2354551/nm-must-invest-in-its-outdoors-and-its-young-people.html>
12. <https://www.buzzsprout.com/1643242/7483384>
13. <https://www.bizjournals.com/albuquerque/news/2021/02/04/nm-announces-effort-support-rural-outdoor-economy.html>
14. <https://www.abqjournal.com/2359658>
15. <https://the-journal.com/articles/203799>
16. <https://www.outsideonline.com/2421163/mobile-bike-center-navajo-nation-silver-stallions>
17. <https://www.bizjournals.com/albuquerque/news/2021/03/05/endeavor-new-mexico-boost-outdoor-recreation.html>
18. <https://durangoherald.com/amp/367053-programs-encourage-navajo-youths-to-ride-bikes>
19. <https://www.abqjournal.com/2367589/outdoor-recreation-is-transformative-for-nm-youths.html>
20. [https://www.google.com/url?rct=j&sa=t&url=https://www.abqjournal.com/2371990/methane-regs-key-to-saving-outdoor-recreation.html&ct=ga&cd=CAEYACoTMTMxMTQ2MDc0MjMyMTI3ODE4MTIaYzNiNzZjNDg1ODVlZWJlNjIjY206ZW46VVM&usg=AFQjCNGDIK29f-6sHuaCP\\_OYVD83rW5qdw](https://www.google.com/url?rct=j&sa=t&url=https://www.abqjournal.com/2371990/methane-regs-key-to-saving-outdoor-recreation.html&ct=ga&cd=CAEYACoTMTMxMTQ2MDc0MjMyMTI3ODE4MTIaYzNiNzZjNDg1ODVlZWJlNjIjY206ZW46VVM&usg=AFQjCNGDIK29f-6sHuaCP_OYVD83rW5qdw)
21. <https://santafe.com/podcast/experience-new-mexico-with-richard-eeds-march-20-21-2021/>
22. <https://www.pewtrusts.org/nb/research-and-analysis/articles/2021/03/23/five-women-work-to-keep-us-rivers-clean-and-free-flowing?amp=1>