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FY22 QUARTER #2 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	\$ 1,719.6				\$ 1,719.6	19
300	\$ 1,123.3				\$ 1,123.3	
400	\$ 172.0				\$ 172.0	
TOTAL	\$ 2,990.8				\$ 2,990.8	

Program Performance Measures:

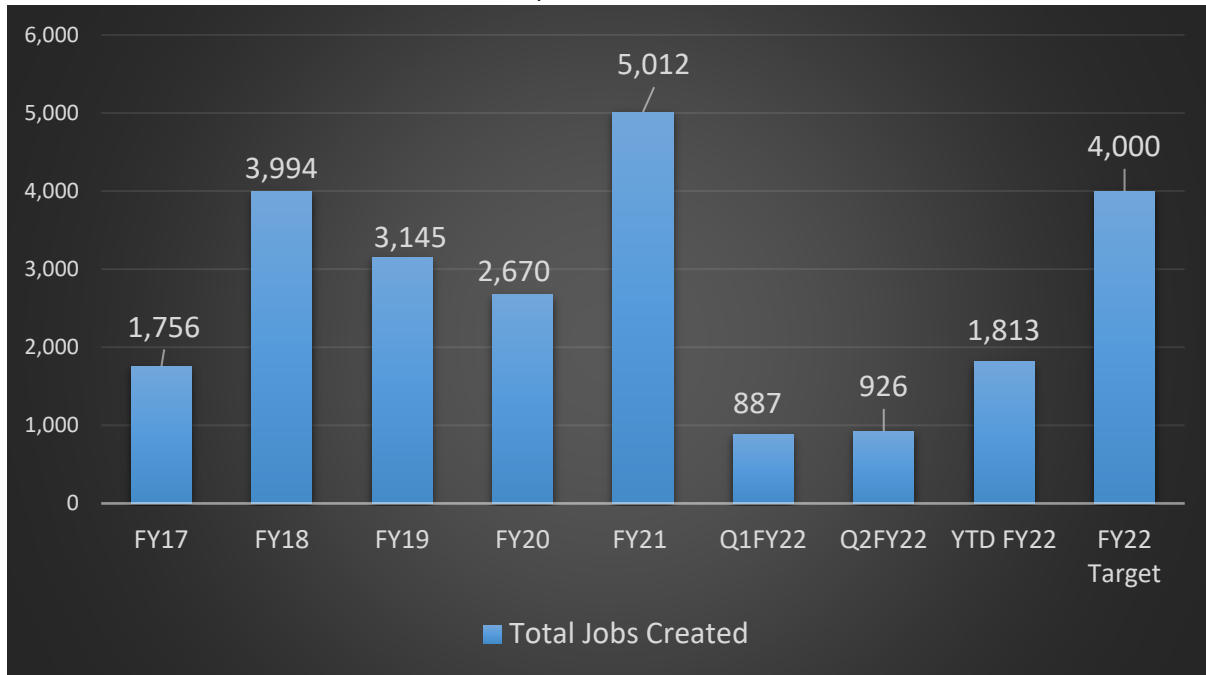
1. Number of new jobs created due to economic development department efforts
2. Number of rural jobs created due to economic development department efforts
3. Average wage of jobs created due to economic development efforts
4. Wages for jobs created in excess of prevailing local wages
5. Number of jobs 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 FY22	Q2 FY22	YTD FY22		FY22 Target
1,756	3,994	3,145	2,670	5,012	887	926	1,813		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). Jobs are *not* counted twice for companies that receive assistance from both JTIP and LEDA.

STORY BEHIND THE DATA: EDD assisted 24 companies that created new jobs in the second quarter of FY22. Two companies received LEDA funding and the remainder participated in JTIP.

IMPROVEMENT ACTION PLAN: EDD is nearly at 50% of the annual target, and we believe we will reach the target by the end of FY22.

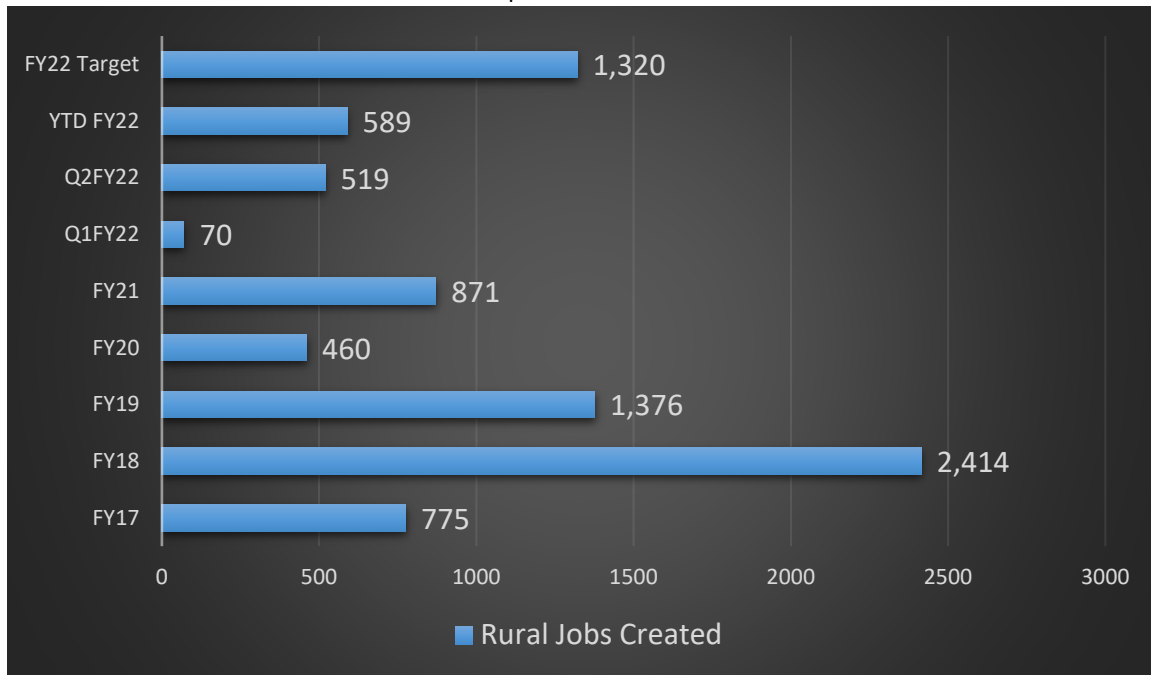
PERFORMANCE MEASURE #2

Number of rural jobs created due to economic development department efforts

Results

FY17	FY18	FY19	FY20	FY21	Q1 FY22	Q2 FY22	YTD FY22		FY22 Target
775	2,414	1,376	460	871	70	519	589		1,320

Graph of Data Above



MEASURE DESCRIPTION: Number of jobs created by companies assisted by an economic development department program 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). Jobs are *not* counted twice for companies that receive assistance from both JTIP and LEDA.

STORY BEHIND THE DATA: Four companies assisted by EDD this quarter are located in rural communities: WTEC Energy (Chamberino); Pecos Valley Production (Roswell); PESCO (Farmington); and X-Bow Launch Systems (Socorro).

IMPROVEMENT ACTION PLAN: EDD has not quite reached half its annual target, but assisting rural companies is a top priority for the agency, and we remain committed to trying to reach this target. Our FY23 request includes a wide variety of funding and FTE to better provide outreach to rural businesses and communities, including doubling the regional representatives team.

PERFORMANCE MEASURE #3

Average wage of jobs created due to economic development department efforts

Results

FY21	Q1 FY22	Q2 FY22		FY22 Target
\$70,631	\$88,774	\$43,265		\$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 Q2 FY22. The second source, for LEDA, comes from the deals that have been finalized during the same period. 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 projects have been removed due to far more restrictive incentives on a different scale. There were no call center projects in Q2 FY22.

IMPROVEMENT ACTION PLAN: n/a

PERFORMANCE MEASURE #4

Wages of jobs created in excess of prevailing local wages

Results

FY21 Total	Q1 FY22	Q2 FY22		FY21 Target
\$24,948	\$41,857	\$22		\$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 FY22 and the approved wages for those positions. The second source, for LEDA, comes from the deals that have been finalized during FY22 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 to far more restrictive incentives on a different scale.

IMPROVEMENT ACTION PLAN: n/a

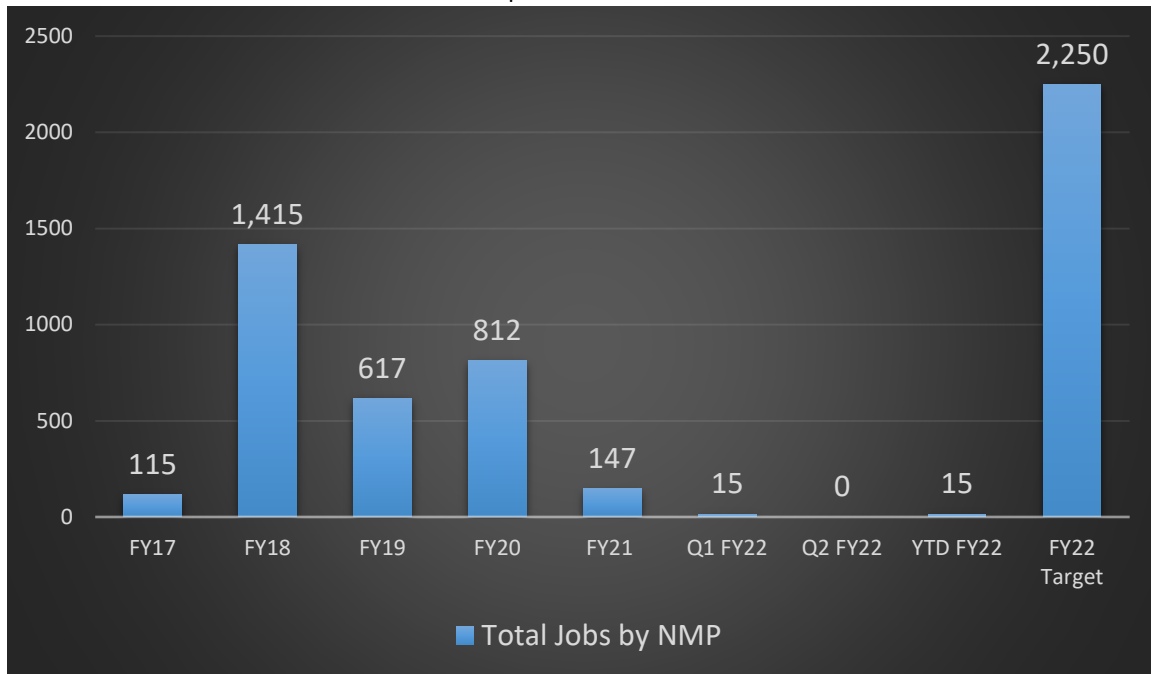
PERFORMANCE MEASURE #5

Number of jobs created through business relocations facilitated by the NMP

Results

FY17	FY18	FY19	FY20	FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
115	1,415	617	812	147	15	0	15	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: New Mexico is a finalist on project Mustang (potential to create 1,000 jobs) and project CTV (125 jobs). We anticipated that these projects would be announced before the end of the year, however they have not. CTV has chosen a NM location, but we will not be ready for the announcement until the end of the 3rd quarter or early in the 4th quarter of this fiscal year.

IMPROVEMENT ACTION PLAN: Partnership staff are continually adding new prospects to the pipeline, and it is growing. However, we are seeing longer timelines from the start of a project to the final decision. Several deals are waiting for the Build Back Better legislation to be passed before making a final decision. We have added new events, both in-person and virtual, to our calendar to increase the number of company contacts. We have also developed new marketing strategies, including virtual marketing which has resulted in over 14 million views. We are working to translate that activity into actionable leads.

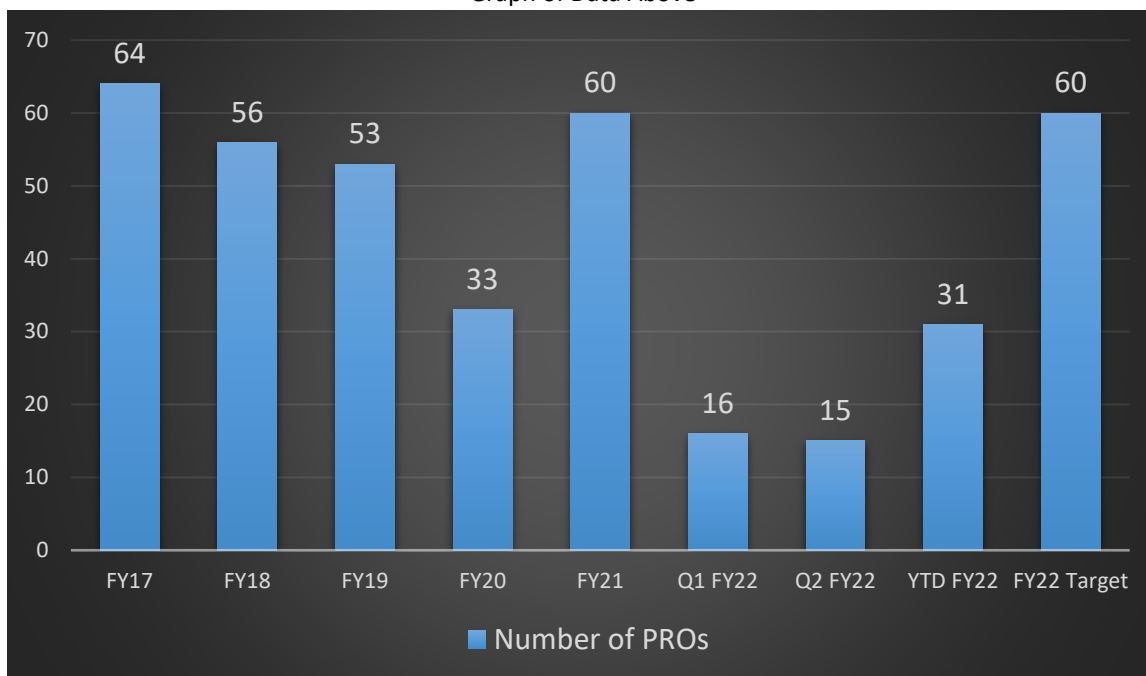
PERFORMANCE MEASURE #6

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

Results

FY17	FY18	FY19	FY20	FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
64	56	53	33	60	16	15	31	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: October (3) Atom, Roadrunner, Ocean; November (6) BK, Gen, Henry, IC, GM, Ricky; December (6) Eclipse, Sunshine, Jay, Spice, Alloy, PI. Fifteen total PROs were generated in the second quarter. These opportunities come from a variety of sources, including the state, site selection consultants, and contractor Jerry Pacheco.

IMPROVEMENT ACTION PLAN: An increased number of virtual and in-person events have been planned for the third quarter. We also have several leads (10) that we are trying to qualify and turn in to PROs.

PERFORMANCE MEASURE #7

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

Results				
FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
9	8	5	13	12

MEASURE DESCRIPTION: A site visit is a physical visit from the prospective company to the community(ies) of interest. Sites visits are typically 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: October (2) Santa Fe Lamy Project Lead (not included in total), Apogee, Roadrunner; November (0) Roadrunner came for a second visit (not included in this total), Mustang did a virtual site visit (not included in total); December (3) PI, Mustang in person visit, Roadrunner 3rd visit (not included in total), Alloy. We also started virtual events with site selectors in December to showcase NM communities, but these will not be included in the totals either.

IMPROVEMENT ACTION PLAN: We saw an improved amount of site visits in the second quarter. We have also had in-person meetings cancelled because of the increased number of Covid cases.

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 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 to increase participation in rural areas and the number of first-time program 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 and reach their potential.

Program Budget (in thousands):

FY21	General Fund	Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	\$ 1,817.4	\$	\$		\$ 1,817.4	20
300	\$ 1,540.0	\$	\$		\$ 1,540.0	
400	\$ 6,947.7	\$	\$		\$ 6,947.7	
TOTAL	\$ 9,305.1	\$	\$		\$ 9,305.1	

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. Total annual taxable gross receipts for active projects funded through LEDA, in millions
5. Dollars of private sector investment in MainStreet districts, in millions
6. Number of building rehabilitations assisted by the MainStreet program
7. Number of workers trained by JTIP
8. Average hourly wage of jobs funded by JTIP
9. Average wages in excess of cost per job for projects funded through the Job Training Incentive Program (JTIP)
10. Dollars of follow-on investment in technology-based companies as a result of Office of Science & Technology programs
11. Foreign Direct Investment in New Mexico as a result of Office of International Trade efforts, in millions
12. Federal grants dollars awarded as a result of economic development efforts

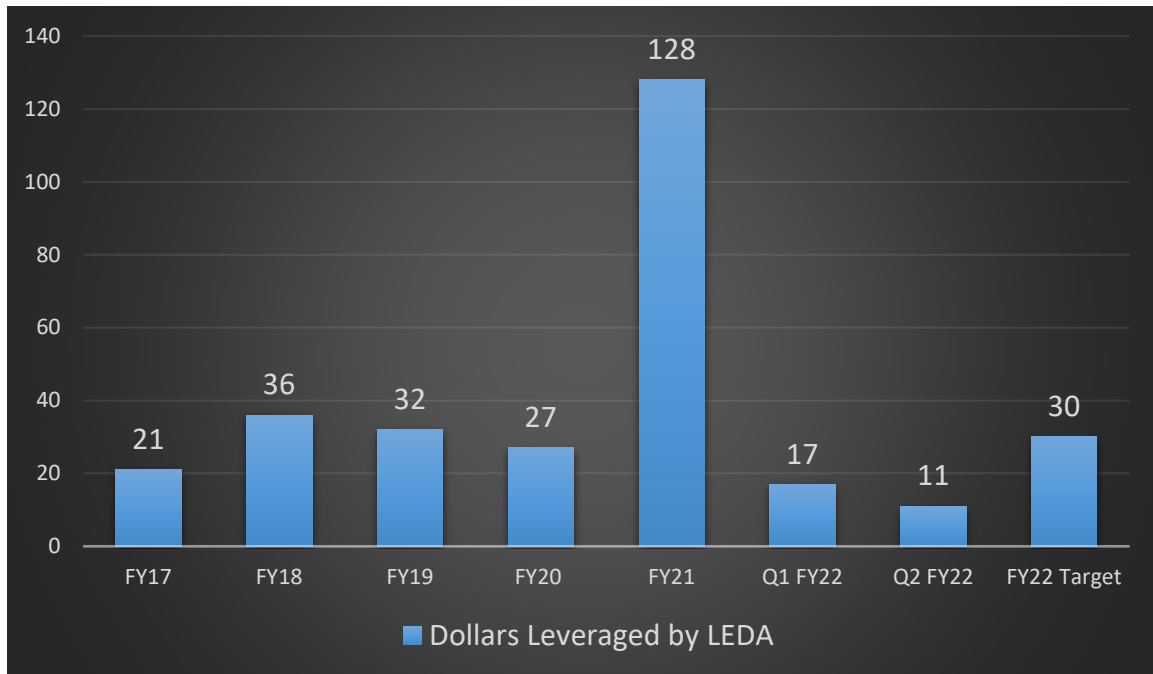
PERFORMANCE MEASURE #1

Number of private sector dollars leveraged by each dollar through LEDA

Results

FY17	FY18	FY19	FY20	FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
21	36	32	27	128	17	11	28	30

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: Two companies expanded in the second quarter with the support of LEDA.

Company	Jobs	Private Investment	LEDA Commitment
WTEC Energy Corp	315	\$21,150,000.00	\$2,000,00.00
Earth Traveler Teardrop Trailers LLC	23	\$1,300,000.00	\$37,000.00
Totals	338	\$22,450,000.00	\$2,037,000.00

Private investment of \$22,450,000.00/LEDA investment of \$2,037,000.00=11.02

IMPROVEMENT ACTION PLAN: n/a

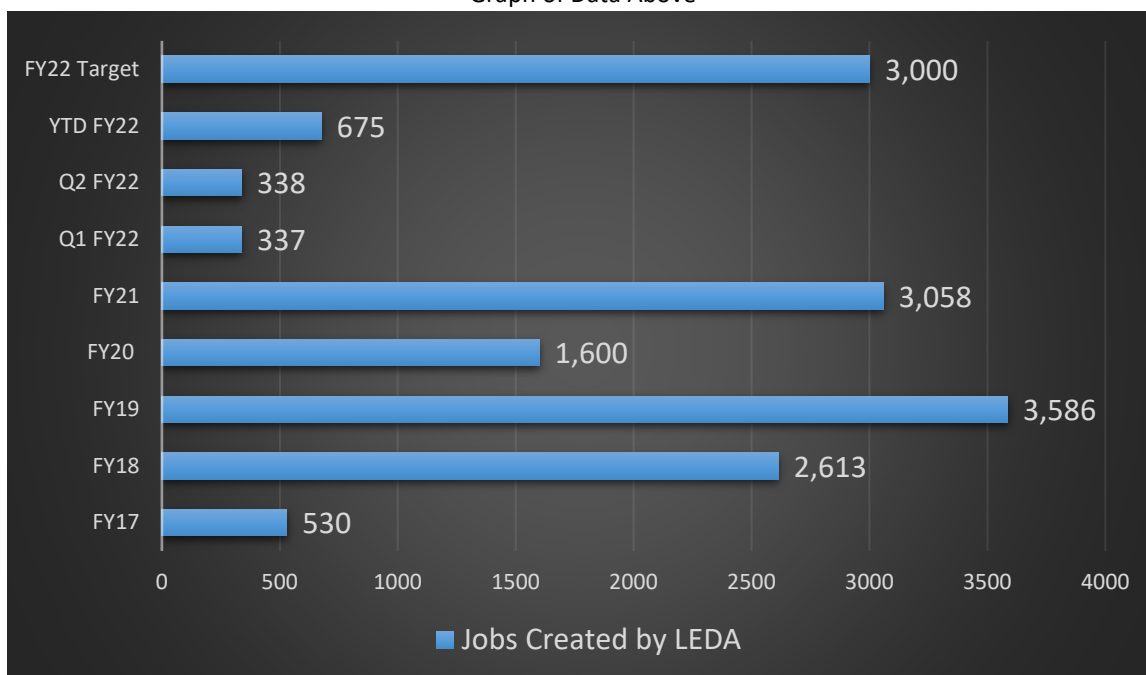
PERFORMANCE MEASURE #2

Number of jobs created through the use of LEDA funds

Results

FY17	FY18	FY19	FY20	FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
530	2,613	3,586	1,600	3,058	337	338	675	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:

- Wind Turbine & Energy Cables Corp. (WTEC Energy) manufactures wire cable that powers both solar and wind energy units. The New Jersey-based company is expanding to Chamberino, where it will operate a steel-wire manufacturing facility at the former Alpo pet food processing plant. WTEC Energy plans to expand its production to include wind towers. The company is investing \$21 million to refurbish the facility and has been approved for \$2,000,000 in LEDA support. The company will create 315 new jobs in rural New Mexico.
- Earth Traveler Teardrop Trailer LLC (Earth Traveler) manufactures ultra-lightweight teardrop camping trailers. Earth Traveler is expanding its production capacity and space, having recently moved into a 5,000 square foot production facility in Santa Fe. The company is making a capital investment of \$1.3 million and has been approved for \$37,000 in LEDA support for 23 jobs.

IMPROVEMENT ACTION PLAN: EDD has a significant pipeline of LEDA projects and still has the potential to reach its FY22 jobs target.

PERFORMANCE MEASURE #3

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

Results			
FY21	Q1 FY22	Q2 FY22	FY22 Target
\$69,482	\$115,528	\$32,208	\$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 FY22. 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 result.

STORY BEHIND THE DATA:

The projects reported an estimated average wage of \$37,669 while the cost per job for the projects is \$5,461.

IMPROVEMENT ACTION PLAN: n/a

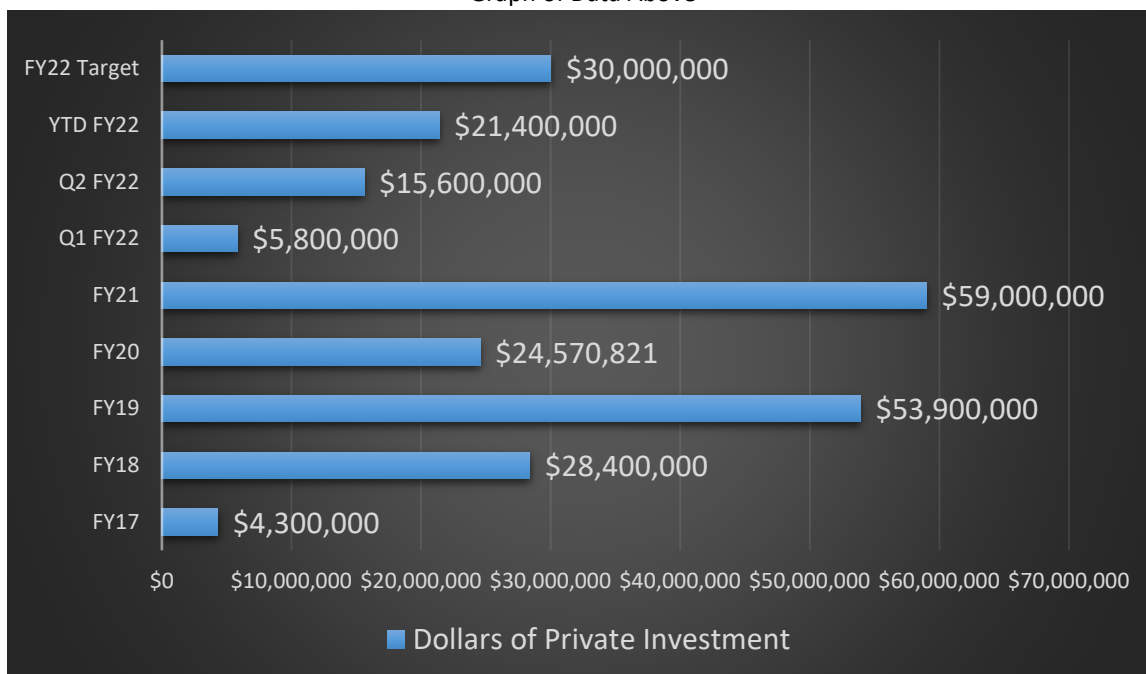
PERFORMANCE MEASURE #4

Dollars of private sector investment in MainStreet districts, in millions

Results

FY17	FY18	FY19	FY20	FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
\$28.4	\$53.9	\$30.7	\$24.57	\$59	\$5.8	\$15.6	\$21.4	\$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, including 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:

- There was a significant increase in total private reinvestment for the 2nd quarter of FY 22 with over \$15 million invested in MainStreet districts. More than \$6 million came from private rehabilitation projects within these districts, totaling 65 properties undergoing improvements during the quarter. Another \$5 million in direct investment came from the purchases of buildings in MainStreet downtowns.
- Los Alamos Schools Credit Union is building a \$1.4 million, 3,650 square foot building within the MainStreet district, contributing to the large private reinvestment amount.
- There was a total of nine new businesses that opened in Los Alamos and 15 new jobs.
- Starbucks is opening a new location there, demolishing an old McDonald's restaurant for new construction at a cost of \$500,000.

IMPROVEMENT ACTION PLAN: n/a

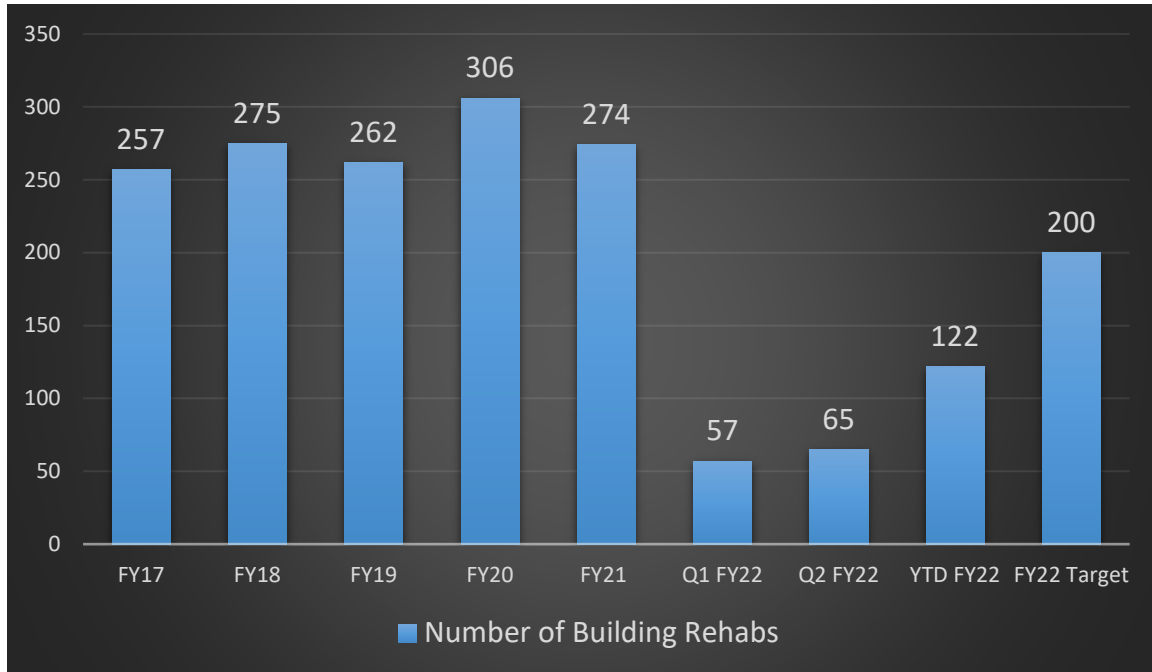
PERFORMANCE MEASURE #5

Number of building rehabilitations assisted by the MainStreet program

Results

FY17	FY18	FY19	FY20	FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
257	275	262	306	274	57	65	122	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:

- There was almost \$3 million in rehabilitation work happening in Downtown Albuquerque and Nob Hill MainStreet districts. Thirteen rehabilitation projects totaling \$1.4 million were completed in Downtown ABQ. In Nob Hill, the University Lodge building is slated for \$1 million in interior improvements, while M'tucci's Bar will undergo \$500,000 in interior work.
- Ruidoso's Grace Omalley's building was purchased for \$2 million.
- Silver City added 10 new jobs with the addition of 5 new businesses. A new yoga studio created four jobs. Three new jobs at the Wolfgrounds Community Coffee House are due to an expansion.
- Three buildings sold in MainStreet De Las Vegas totaling \$600,000 in new investment. Two are historic 2-story commercial buildings and the third is a single-story commercial building.

IMPROVEMENT ACTION PLAN: n/a

PERFORMANCE MEASURE #6

Number of workers trained by JTIP

Results

FY17	FY18	FY19	FY20	FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
2,009	1,736	2,333	2,202	3,356	737	750	1,487	2,000

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: Twenty-six companies were approved by the JTIP board in the second quarter of FY22. 719 trainees were approved at an average wage of \$22.20 per hour. 157 are high-wage positions, of which 128 are urban, with annual salaries in excess of \$60,000, and 29 are rural, with annual salaries in excess of \$40,000. Seven internships, all urban, were approved in at an average wage of \$17.57. 299 of the total trainees approved are located in rural areas including Sunland Park, Roswell, Farmington and Socorro. In addition, the Film Crew Advancement Program (FCAP), one of the two JTIP for Film and Multimedia programs, approved five companies to train 24 crew members.

IMPROVEMENT ACTION PLAN: n/a

PERFORMANCE MEASURE #7

Average hourly wage of jobs funded by JTIP

Results

FY17	FY18	FY19	FY20	FY21	Q1 FY22	Q2 FY22	FY22 Target
\$17.92	\$21.48	\$18.04	\$19.32	\$19.22	\$23.76	\$22.20	Explanatory

MEASURE DESCRIPTION: Average hourly wage of jobs funded by JTIP.

DATA SOURCE/METHODOLOGY: The average hourly wage of jobs funded by JTIP comes from the applications approved by the JTIP board for net new jobs. The average hourly wage for jobs approved under the JTIP for Film & Multimedia Film Crew Advancement Program (FCAP) comes from the applications approved by the NM Film Office and is calculated separately.

STORY BEHIND THE DATA:

- FY22 Q2 JTIP jobs approved:
 - 719 trainees: Average wage = \$22.20
 - Urban: 420, average wage = \$27.97
 - Rural: 299, average wage = \$14.09
- FY22 Q2 JTIP Film Crew jobs approved:
 - 24 trainees, average wage = \$25.33

PERFORMANCE MEASURE #8

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

Results			
FY21	Q1 FY22	Q2 FY22	FY22 Target
\$30,757	\$38,693	\$35,333	\$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 Q1 FY22 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 Q2 FY22 is \$46,168. The cost per job for these JTIP jobs is \$10,835.

IMPROVEMENT ACTION PLAN: n/a

PERFORMANCE MEASURE #9

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

Results					
FY20	FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
\$9.5M	\$170M	\$2M	0	\$2,000,000	\$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 report this quarter.

IMPROVEMENT ACTION PLAN: n/a

PERFORMANCE MEASURE #10

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

Results			
FY21	Q1 FY22	Q2 FY22	FY22 Target
\$2,000,000	0	0	\$5,000,000

MEASURE DESCRIPTION: Foreign companies that choose to invest in New Mexico and 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 in Q2.

Other International Trade Notes:

In an effort to promote closer trade relations, ease global supply-chain pressures, boost job growth along New Mexico's international border and foster long-term economic partnerships, the Economic Development Department entered into a memorandum of understanding with the Ministry of Economic Affairs (Taiwan). This will provide even greater opportunities for New Mexico to attract Asian manufacturing.

IMPROVEMENT ACTION PLAN: The COVID-19 crisis continues to create 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 #11

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

Results			
FY21	Q1 FY22	Q2 FY22	FY22 Target
\$2.4M	0	\$2.9M	\$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: The Outdoor Recreation Division received an EDA grant in the amount of \$1.9 million. EDD was awarded another \$1 million federal grant.

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 four main objectives:

- (1) Promote and advocate for the Film Production Refundable Tax Credit program locally, nationally, globally.
- (2) Recruit television series, films, commercials, digital media, animation, post-production, AR/VR, and other eligible projects and productions.
- (3) Administer and create various workforce development programs and industry education, thereby creating more opportunities for New Mexicans.
- (4) Execute marketing, outreach and community engagement efforts and campaigns, regarding the film incentive, film industry and its economic impact on New Mexico.

Program Budget (in thousands):

FY21	General Fund	Other State Funds	Federal Funds	Other Transfers	TOTAL	FTE
200	\$ 690.5				\$ 690.5	7
300	\$ 53.4				\$ 53.4	
400	\$ 78.9				\$ 78.9	
TOTAL	\$ 822.8				\$ 822.8	

Program Performance Measures:

1. Number of film and media worker days
2. Direct spending by film industry productions, in millions
3. Total wages paid by film industry productions to New Mexico residents, in millions
4. Median wages paid by film industry productions to New Mexico residents
5. Total gross receipts taxes paid by film industry productions, in millions

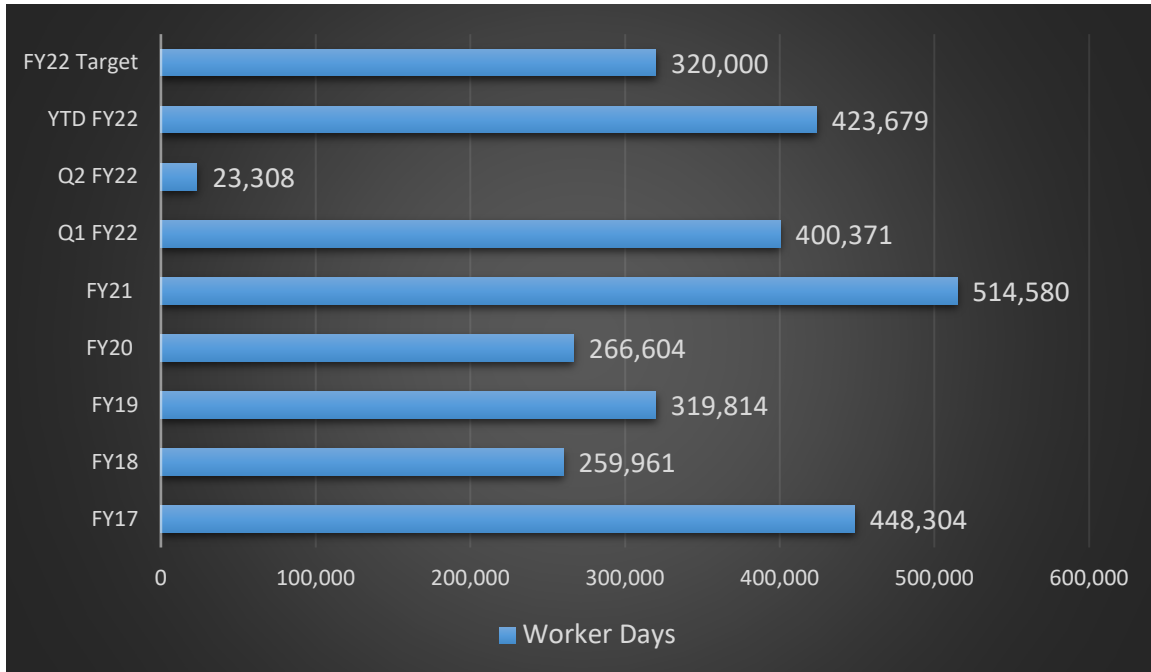
PERFORMANCE MEASURE #1

Estimated number of film and media worker days

Results

FY17	FY18	FY19	FY20	FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
448,304	259,961	319,814	266,604	514,580	400,371	23,308	423,679	320,000

Graph of Data Above



**Information reported are estimates based on registrations submitted to the Film Division 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. Data for recent fiscal quarters is retroactively updated.*

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 in the registration forms submitted to the Film Division by productions and reflects the estimated NM resident crew size multiplied by the estimated number of days employed. Note: an average workday in film/TV production is 12 hours, and data is calculated above as such.

STORY BEHIND THE DATA: Despite the COVID-19 pandemic, FY21 proved to be a record-breaking year for worker days, reaching 536,183 worker days in total. FY22 is on pace to surpass FY21, having already exceeded the FY22 annual target of 320,000 worker days with a total of 423,679 worker days for FY22 Q1 and Q2. In Q2, there were more small-scale projects, reflecting fewer worker days. Also, it is typical to see a decline in production activity during the holidays.

IMPROVEMENT ACTION PLAN: n/a

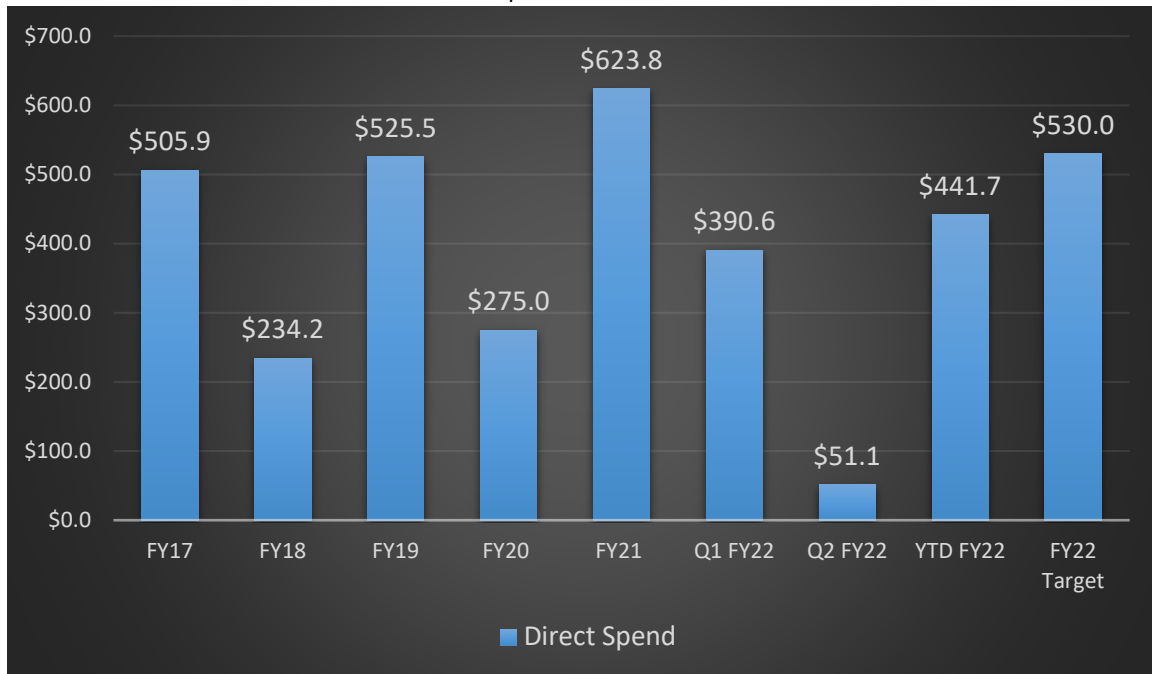
PERFORMANCE MEASURE #2

Estimated Direct spending by film industry productions, in millions

Results

FY17	FY18	FY19	FY20	FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
\$505.9	\$234.2	\$525.5	\$257.3	\$626.5	\$390.62	\$51.05	\$441.67	\$530

Graph of Data Above



**Information reported are estimates based on registrations submitted to the Film Division 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. Data for recent fiscal quarters is retroactively updated.*

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: Despite the COVID-19 pandemic and industry shutdown, FY21 was a record-breaking year for direct spend by production companies, reaching \$626.5 million. In the first quarter of FY22, the Film Division has recorded an estimated \$390.62 million in direct spend. In Q2 FY 22 the division recorded an additional \$51.05 in direct spend. The decline is due to smaller scale productions during the quarter and fewer production days during the holidays. Nonetheless, direct spend in FY22 is on track to match or surpass the record-breaking FY21 direct spend.

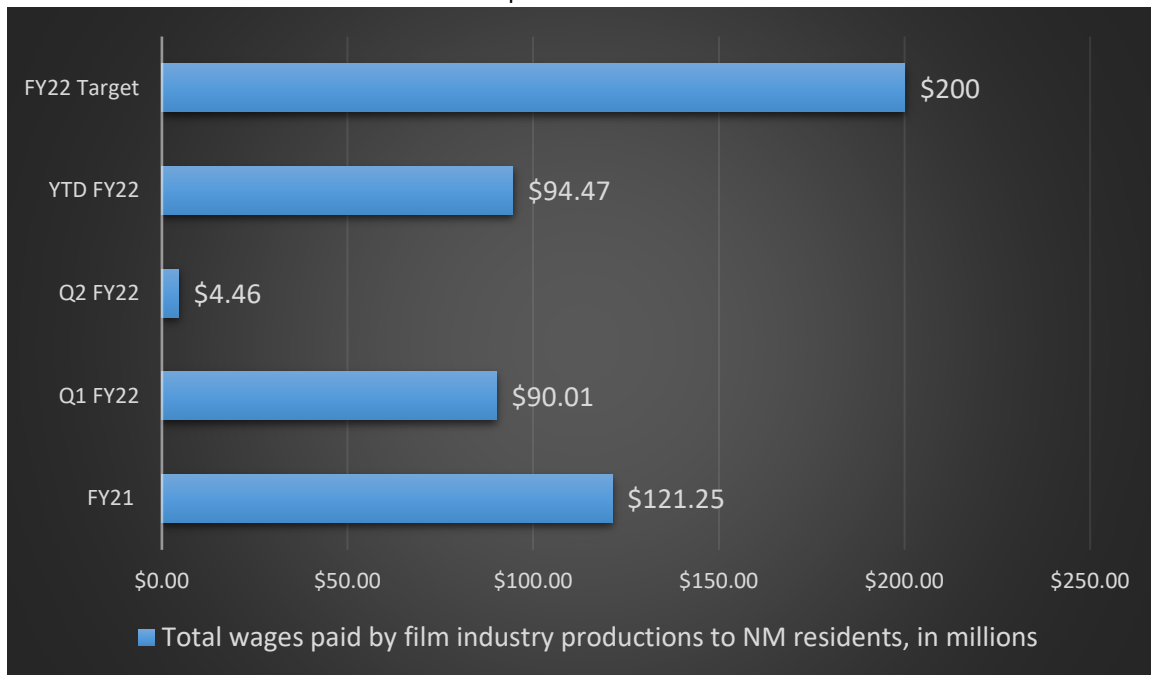
IMPROVEMENT ACTION PLAN: n/a

PERFORMANCE MEASURE #3

Total wages paid by film industry productions to NM residents, in millions

Results				
FY21	Q1 FY22	Q2 FY22	YTD FY22	FY21 Target
\$121.25	\$90.01	\$4.46	\$94.47	\$200

Graph of Data Above



**Information reported are estimates based on registrations submitted to the Film Division 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. Data for recent fiscal quarters is retroactively updated.*

MEASURE DESCRIPTION: Estimated total wages paid by film industry productions to New Mexico residents, in millions. This data does not include wages paid to New Mexico actors, New Mexico background actors, or wages paid to New Mexicans providing post-production services.

DATA SOURCE/METHODOLOGY: The data is based on information provided in the registration forms which are submitted to the Film Division by production companies. Wages are calculated using worker days in Performance Measure #1, and median wages (Performance Measure #4).

STORY BEHIND THE DATA: Despite the COVID-19 delays and disruptions, New Mexico's film industry continues to thrive. In Q1 of FY22, an estimated \$90.01 million in total wages were paid, on-track to meet the FY22 overall target of \$200 million. FY22 Q2 was not as active as Q1, with an estimated \$4.46 million in total wages paid.

IMPROVEMENT ACTION PLAN: The industry nearly met the halfway point for this target, and we believe it will be met by the end of FY22. There is typically a delay receiving some of this data to due reporting lags, so it is very possible we actually exceeded 50% of the target during the first two quarters.

PERFORMANCE MEASURE #4

Median wages paid by film industry productions to NM residents

Results

FY21	Q1 FY22	Q2 FY22	FY22 Target
\$60,840	\$63,086	\$49,753	\$50,000

**Information reported are estimates based on registrations submitted to the Film Division 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. Data for recent fiscal quarters is retroactively updated.*

MEASURE DESCRIPTION: Estimated average median wages paid by film industry productions to New Mexico residents. Wage data is presented in wages per year.

DATA SOURCE/METHODOLOGY: This data is based on information in registrations submitted to the Film Division by production companies. Each registration includes the respective production's median crew wage. The median crew wages were multiplied by an assumed 2,080 hours per year to calculate an annual wage. 2,080 hours is the standard generally used to define full time annual employment based on a 52-week year with 40 hours per week of labor. While this standard was used here, it is worth noting this industry typically does not conform to a conventional working schedule.

STORY BEHIND THE DATA: : Despite the COVID-19 pandemic, FY21 proved to be a record-breaking year, with an estimated median wage of \$59,614 for New Mexico residents working in the industry. Productions in FY22 Q1 surpass this previous record and FY22 annual target, with an estimated wage of \$63,086 per year. FY22 Q2 had an estimated median wage of \$49,753, the decrease is due to more smaller scale productions than the previous quarter.

IMPROVEMENT ACTION PLAN: n/a

PERFORMANCE MEASURE #5

Total gross receipts taxes paid by film industry productions, in millions

Results				
FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
\$30.21	\$21.98	\$2.89	\$24.87	\$20

**Information reported are estimates based on registrations submitted to the Film Division 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. Data for recent fiscal quarters is retroactively updated.*

MEASURE DESCRIPTION: This data is an estimate of the New Mexico total gross receipts taxes paid by film industry productions, in millions.

DATA SOURCE/METHODOLOGY: This data is based on information in registrations submitted to the Film Division by productions. Each registration includes the respective production's estimated qualified direct spend. Using historical data, we estimate the GRT paid at 6.47%, and then multiply the estimated qualified spend by 6.47% to get the average GRT paid in dollars.

STORY BEHIND THE DATA: In Q1 FY22, the Film Division recorded an estimated \$22.03 million to be paid in gross receipts taxes by film productions, surpassing the FY22 overall target. In Q2 FY22 the Film Division recorded an estimated \$2.89 million in gross receipts taxes paid by productions.

IMPROVEMENT ACTION PLAN: n/a

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	\$ 247.8				\$ 482.2	2
300	\$ 25.0				\$ 25.0	
400	\$ 209.4	\$			\$ 209.4	
TOTAL	\$ 482.2	\$			\$ 482.2	

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 FY22	Q2 FY22	YTD FY22	FY22 Target
40	9	6	27	33	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:

In November 2021, EDD awarded \$100,000 in LEDA funds to Earth Traveler Teardrop Trailers LLC to support an expansion that will add 23 new employees to their Santa Fe manufacturing space. Earth Traveler was also awarded \$25,000 from the City of Santa Fe, funding that was catalyzed by the state's investment. This marks the state's first LEDA award to a homegrown outdoor recreation manufacturer.

In addition, NMSU completed its BizSprint Accelerator, funded by ORD, in fall 2022. Fourteen outdoor recreation businesses participated in the program. Three of these businesses reported hiring four people, in total, after the accelerator.

In January, UNM opened its outdoor recreation certificate program, which was funded by ORD. Accelerator programs are ongoing in Sandoval County. The additional progress reports will be included in FY22 Q3 and Q4 performance reports. The three accelerators combined are projected to work with over 70 outdoor recreation businesses in New Mexico in 2021.

PERFORMANCE MEASURE #2

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

Results					
FY20	FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
11	6	0	29	29	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, which is now the *Outdoor Recreation Trails* grant 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 awarded \$506,736.17 to 25 outdoor infrastructure projects this quarter. The grant, previously called the Special Projects and Outdoor Infrastructure Fund, invested \$77,689 in six projects in FY21. The 25 projects are bringing in an additional \$1.628 million in matching funds. Sixty-four percent of this year's awarded projects are located in rural counties.

In addition, ORD worked with the Rio Grande Trail Commission to award \$297,000 to four necessary Rio Grande Trail infrastructure projects. The projects have been approved by the commission and contracts are nearing completion.

Finally, ORD has completed the Outstanding National Resource Waters draft petition to protect the water quality of 125 miles of New Mexico rivers. This petition will be presented to the Water Quality Control Commission for consideration in June 2022.

PERFORMANCE MEASURE #3

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

Results				
FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
3,123	21,900	4	21,904	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 and attendance reports from education partners.

STORY BEHIND THE DATA:

In August 2021, ORD announced [Outdoor Equity Fund awards to 57 organizations that will reach 21,896](#) youth by February 2023. This reach is eight times greater than the reach of the grant in FY21, with \$898,337 in funding versus \$261,863.78. This increase in funding better enables the Outdoor Equity Fund to meet the demand ORD saw from applicants.

In addition, ORD funded the state's first-ever outdoor recreation paid internship program for high school students. As a pilot program, it reached just four students in summer 2021, but ORD plans to expand the program in fall and spring 2022. This growth will be made easier as Covid-19 subsides.

The Cradle to Career report, which outlines ways for more students from Pre-K through higher education to enter outdoor recreation careers, was published in October 2021. The report was funded by the National Park Service's Recreation, Trails, Access, and Conservation (RTCA) program.

PERFORMANCE MEASURE #4

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

Results				
FY21	Q1 FY22	Q2 FY22	YTD FY22	FY22 Target
7,808	6,197	5,575	11,772	Explanatory

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:

Through Q2 FY22, ORD had 2,696 newsletter subscribers, 2,300 unique visits to the website (a 24% increase YoY), and 579 Twitter followers.

For earned media, there were 48 articles (linked below) about ORD and/or New Mexico outdoor recreation in Q2. Many of these stories covered the Earth Traveler LEDA deal and the \$10 million special appropriation to ORD. These stories were picked up by national outlets, including Yahoo.com and the Associated Press.

The ORD was awarded a \$1.95-million grant from the Economic Development Administration to support the recovery of the outdoor recreation economy in New Mexico. Part of this funding will go toward a new marketing coordinator for the office who will run the owned media platforms and create Facebook, Instagram and TikTok accounts.

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