

# Economic Impact of Spaceport America, 2019-2024

August 2025

*presented by*

**Lucinda Vargas**

**Center for Border Economic Development**



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# Introduction

The Center for Border Economic Development (C-BED) and Arrowhead Center at New Mexico State University (NMSU) have prepared an analysis of the economic impact of Spaceport America for the period 2019–2024.

This report builds upon an initial study completed for the year 2022 and provides new estimates for the periods 2019-2021 and 2023-2024 of the economic impacts generated by Spaceport America's operations, its tenants, and related visitor spending.

The report's authors are:

*Dr. Kramer Winingham, Program Director, Arrowhead Center, NMSU*

*Dr. Christopher Erickson, Director, Center for Border Economic Development, NMSU*

*Dr. Lucinda Vargas, Associate Director, Center for Border Economic Development, NMSU*



# Arrowhead Center/C-BED Background

## **NMSU's Arrowhead Center & C-BED: Regional Leaders in Economic Development**

- Arrowhead Center and the Center for Border Economic Development at New Mexico State University bring over 24 years of combined experience in advancing economic development, innovation, and entrepreneurship across New Mexico and the U.S.-Mexico border region.
- As part of a land-grant institution, both centers are deeply embedded in the regional economic landscape and are uniquely positioned to support public and private sector initiatives with data-driven insights and community-focused strategies.



# Arrowhead Center/C-BED

★ Track record of providing defensible and insightful economic analyses such as economic impact and economic base studies, feasibility studies, benefit-cost analysis, and strategic plans.

★ Clients and collaborators include:

*State of New Mexico, NM Economic Development Department New Mexico Spaceport Authority, NMSU, City of Anthony, City of Carlsbad, City of Las Cruces, City of Santa Fe, City of Sunland Park, Village of Hatch, Eddy County, McKinley County, the Border Industrial Association, and the state government of Chihuahua.*

→ Most recent project:

*Santa Teresa Strategic Plan:  
Economic Impact of Santa Teresa Industrial Development,  
2024-2028*



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# Economic Impact Analysis: Methodology



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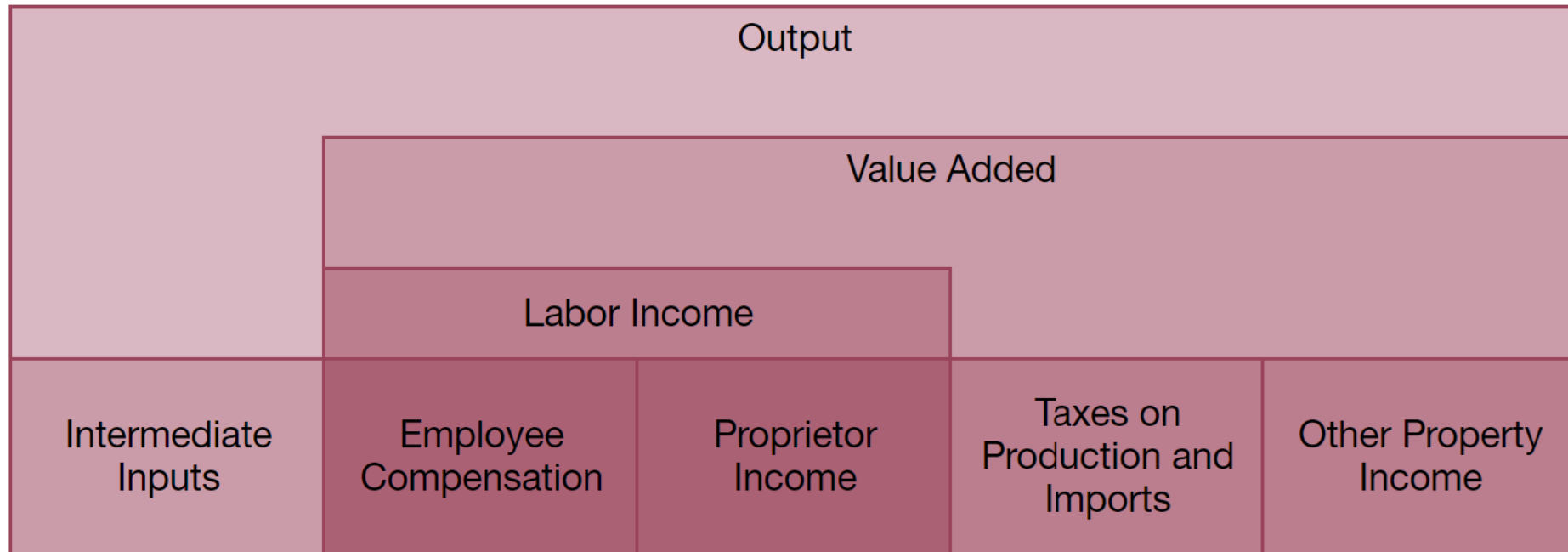
# Economic Impact Analysis Methodology

- ★ Economic Impact Analysis seeks to measure the impact on the local economy from new economic activity associated with a new project.
- ★ The economic impacts of Spaceport America were estimated at the county level for Doña Ana County, Sierra County, and for the State of New Mexico.
- ★ IMPLAN has been a standard tool for academic and professional economists for decades.
  - The methods used to produce IMPLAN's economic data set and economic impact estimates have been widely studied in professional publications and peer-reviewed academic journals.
  - The methodology embedded in IMPLAN is considered standard practice in economics.



# Economic Impact Analysis Methodology

Economic impacts are measured in terms of changes in output, value-added production, labor income, employment, and tax revenue.



# Economic Impact Analysis Methodology

**Economic impact analysis is comprised of three parts:** direct effects, indirect effects, and induced effects:

- ★ **Direct effects** stem from the estimated change in economic activity, i.e., tenant employment, tenant construction, visitor spending, etc.
- ★ **Indirect effects** result from the direct effects, as additional spending occurs in other industries such as construction materials, and business services.
- ★ **Induced effects** result from the direct and indirect effects that support employees who then spend their wages in the economy.

Together, the direct, indirect, and induced effects comprise the total economic impact of the analysis.





# Economic Impact Analysis Methodology

- ★ The impacts are based on project activity occurring in Doña Ana County and Sierra County.
- ★ Spillover effects to the rest of New Mexico are estimated using Multi-Regional Input-Output (MRIO) analysis.
- ★ Impact figures are presented for New Mexico as a whole.



# Economic Impact Analysis Methodology

**Three primary sources** of economic impact were identified and measured for Spaceport America:

1. Tenant\* operations (excluding real estate spending which is captured by Spaceport America's revenues)
2. Out-of-state visitor spending
3. Spaceport America's revenues excluding funding from the State of New Mexico.

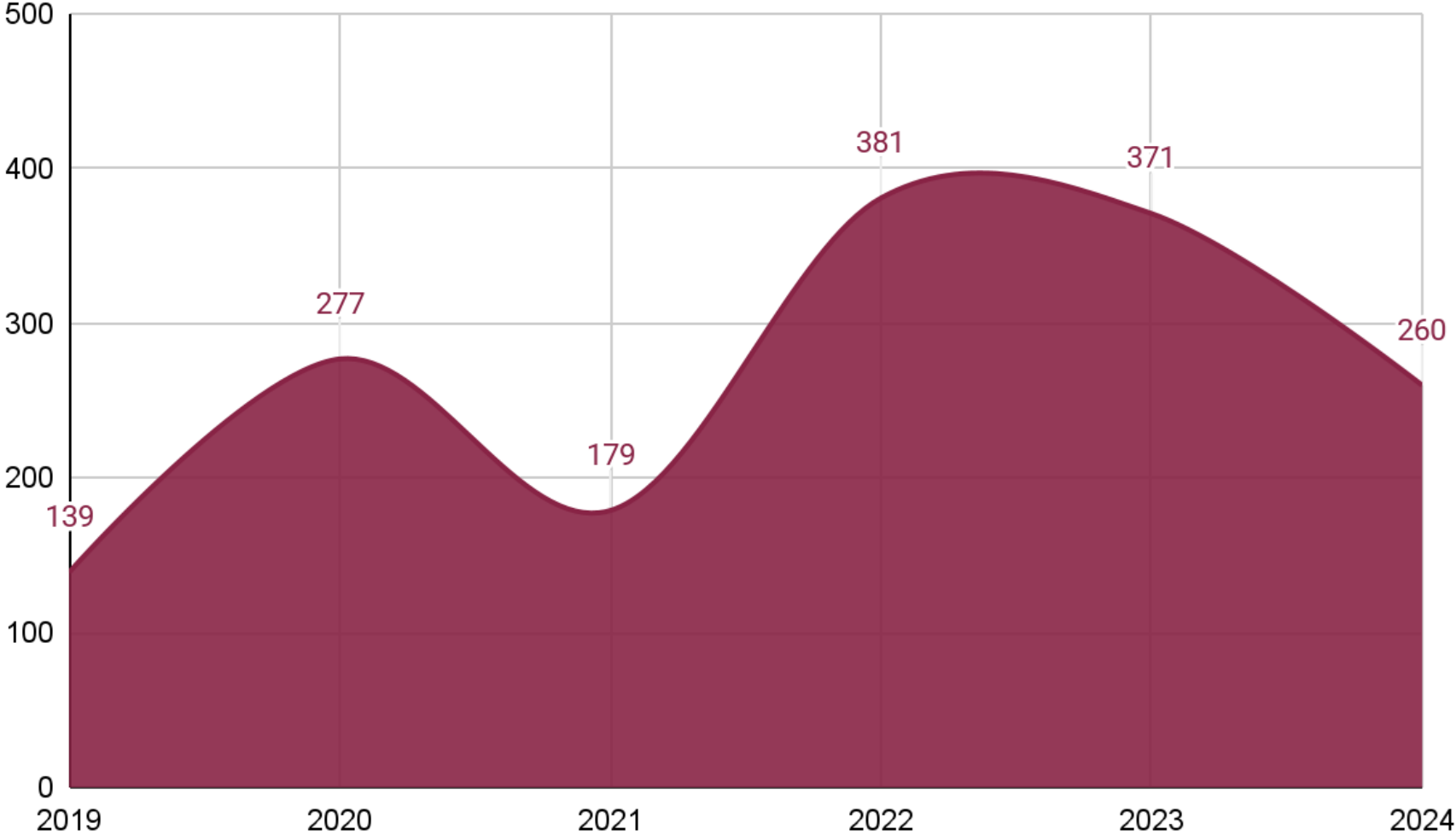
The rationale for using these three sources of impacts for calculating Spaceport America's economic impact in New Mexico is that **they each bring new dollars** into the state that would be absent in the state but for Spaceport America.

*\*/Survey applied to Spaceport America tenants; data provided by survey respondents were used for the impact estimation process.*



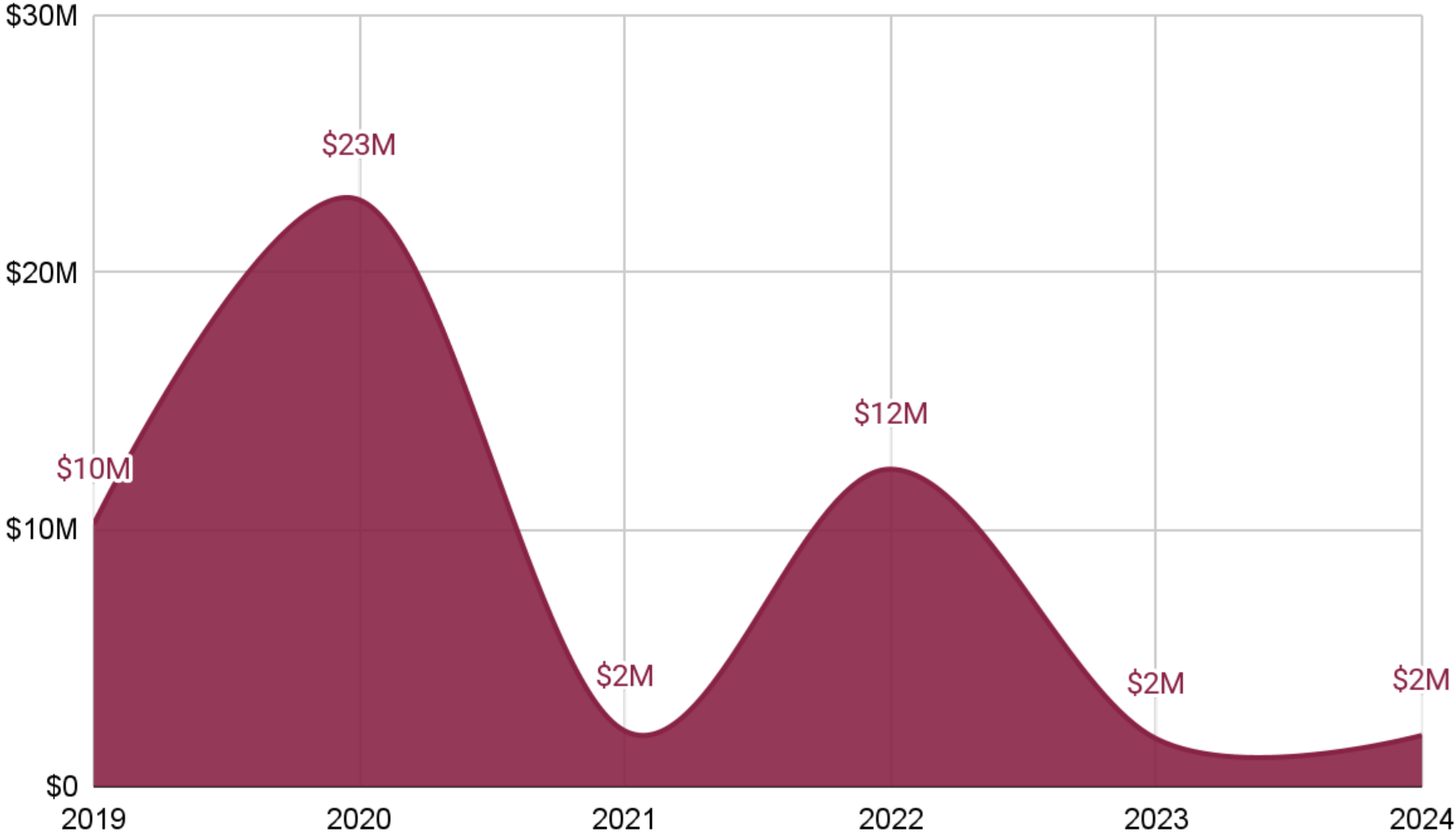
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# Inputs: Tenant Employment



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# Inputs: Tenant Construction



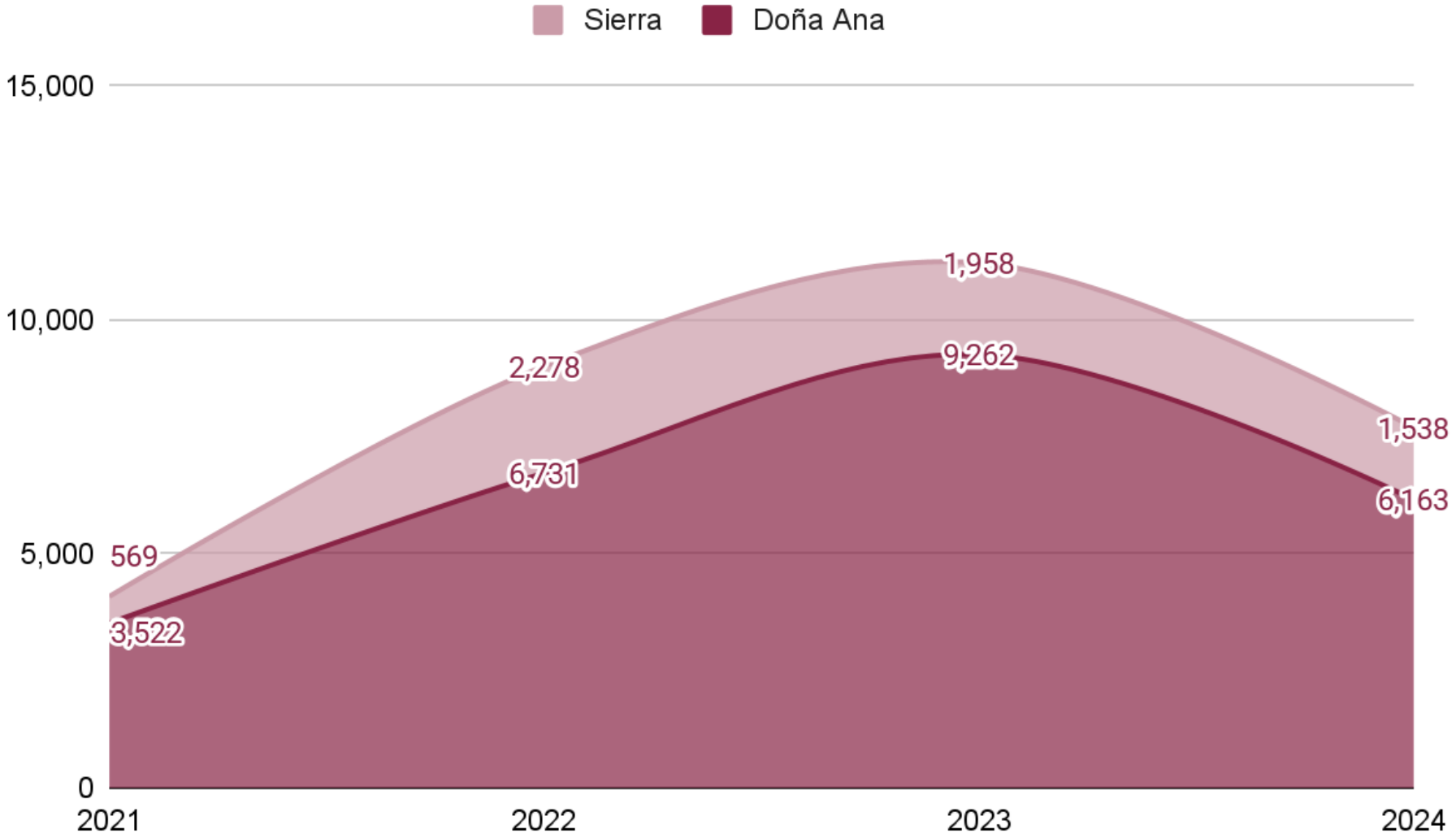
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# Inputs - Estimated Daily Spending for Visitors

Table 5. Estimated Daily By-Category Spending for Visitors

Category Spending Share	Spending per Visitor-day	IMPLAN Codes	IMPLAN Description
32.6%	\$107.00	489	Hotels and motels, including casino hotels
4.1%	\$13.45	400	Transit and ground passenger transportation
9.6%	\$31.39	391	Retail - Gasoline stores
12.0%	\$39.52	491	Full-service restaurants
12.0%	\$39.52	492	Limited-service restaurants
8.4%	\$27.52	394	Retail - General merchandise stores
8.4%	\$27.52	395	Retail - Miscellaneous store retailers
12.9%	\$42.38	486	Other amusement and recreation industries
<b>100%</b>	<b>\$328.00</b>	<b>Total</b>	

# Inputs: Visitor-Days by County



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# Inputs - Spaceport America Revenues

Table 6. Spaceport America, Revenues, 2019-2024

Revenue Category	2019	2020	2021	2022	2023	2024
Rental Revenue	\$3,169,991	\$3,674,972	\$5,131,784	\$6,054,688	\$5,207,093	\$6,440,228
Tours and Launches	\$2,000,949	\$1,860,894	\$467,870	\$1,409,589	\$1,482,947	\$1,486,892
Other Revenue						\$100,357
Lease Interest Revenue				\$51,424	\$928,853	\$846,535
<b>Total</b>	<b>\$5,170,940</b>	<b>\$5,535,866</b>	<b>\$5,599,654</b>	<b>\$7,515,701</b>	<b>\$7,618,893</b>	<b>\$8,874,012</b>



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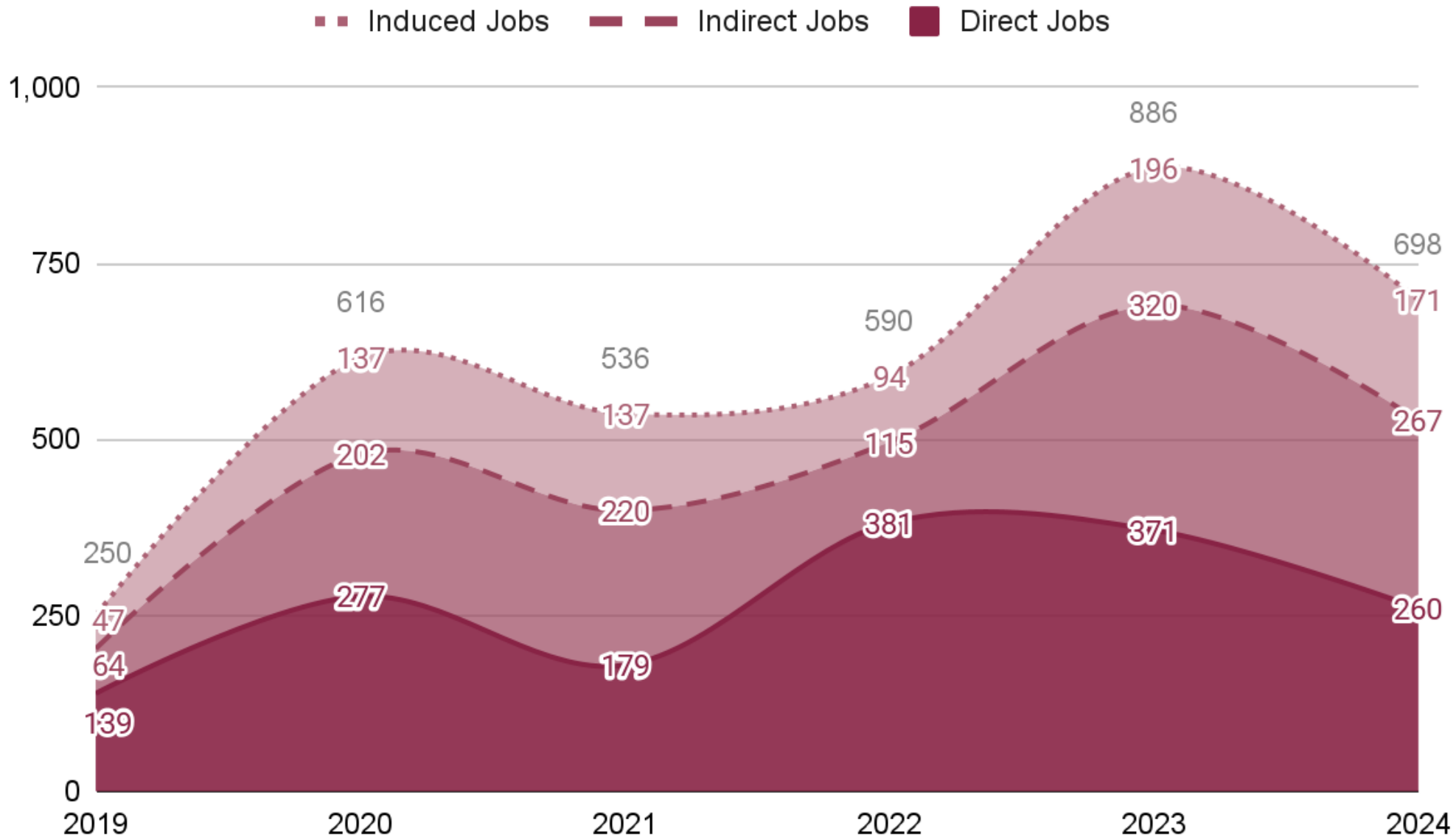
# Economic Impact Results



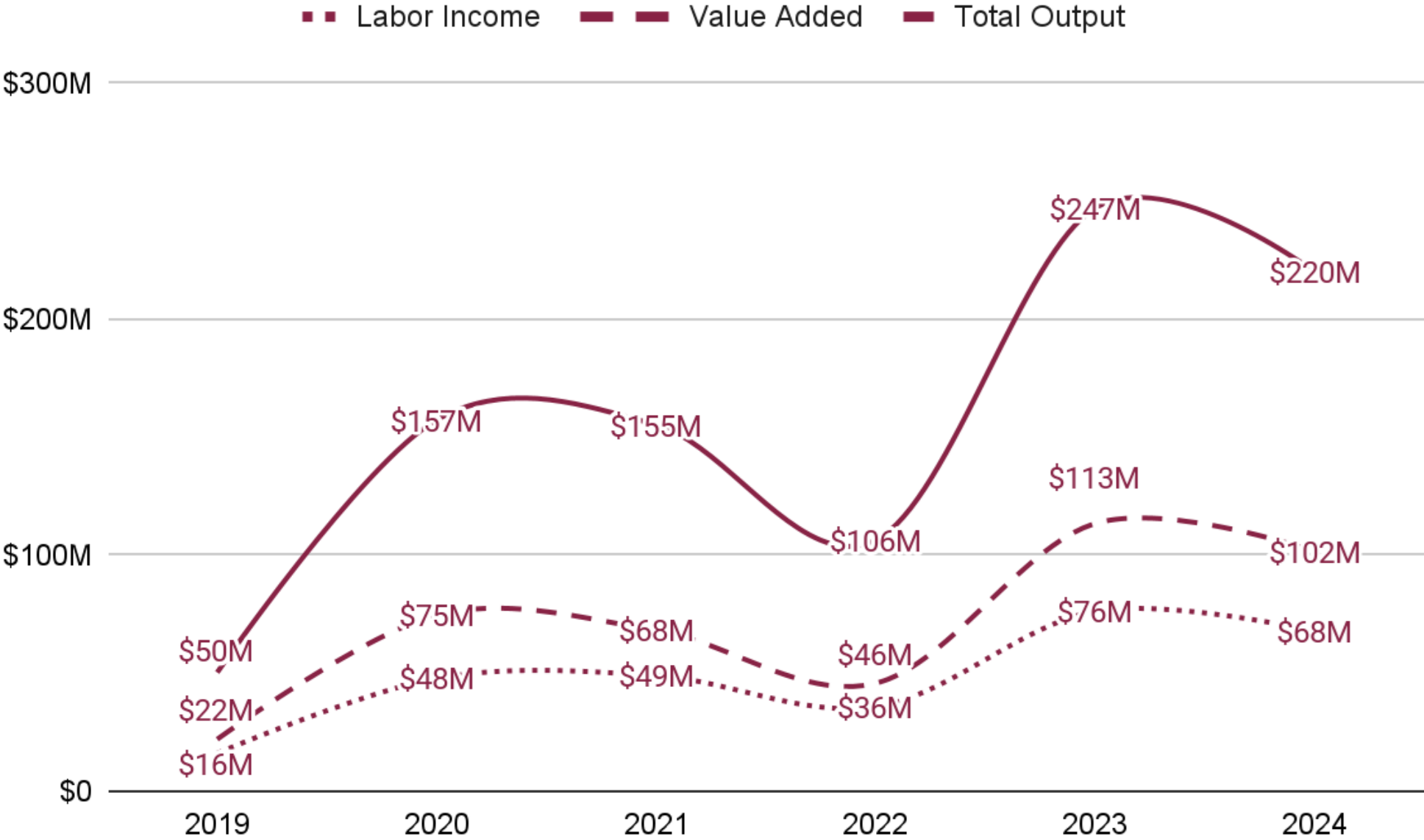
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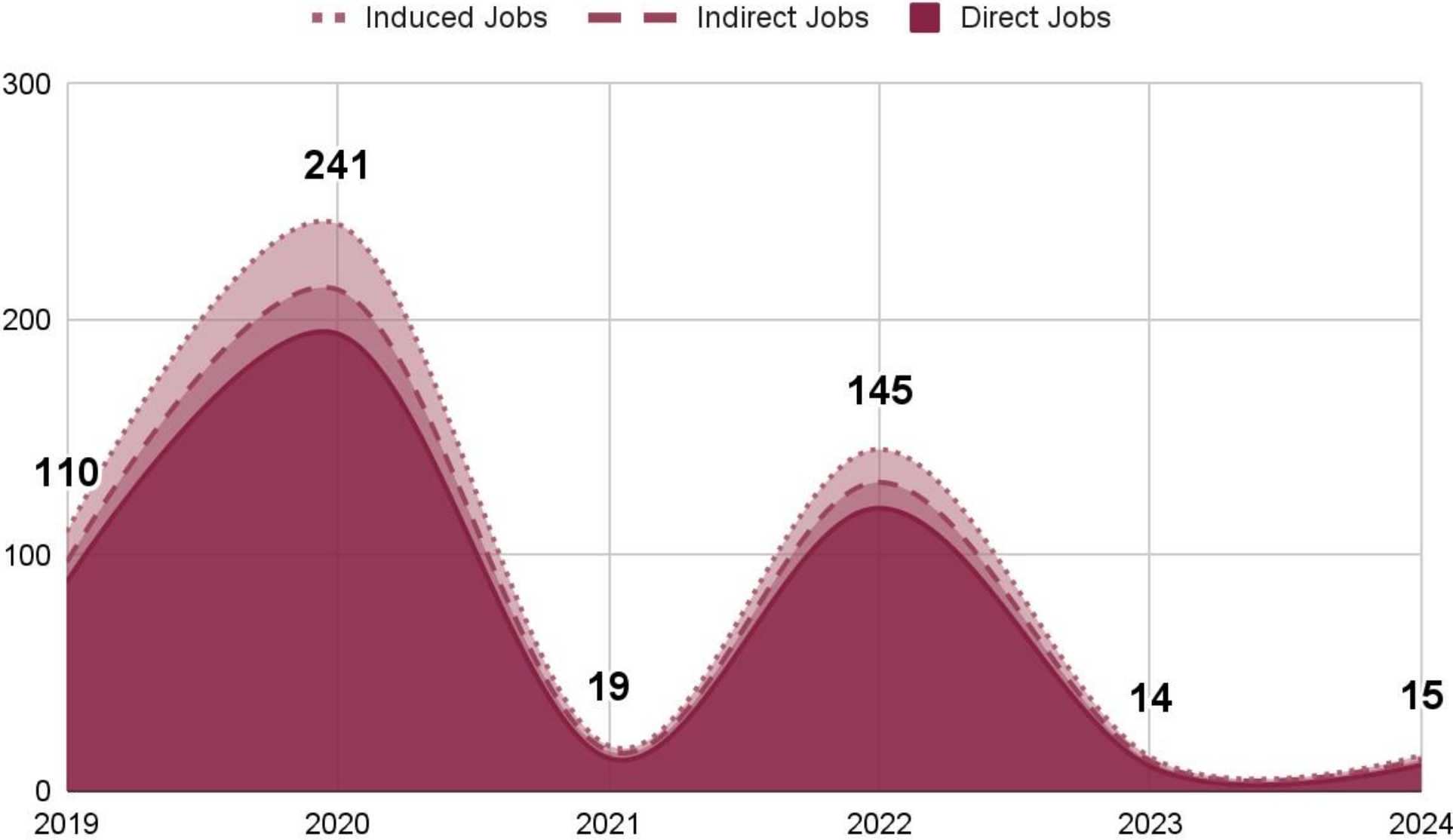
# Job Impact: Tenant Employment



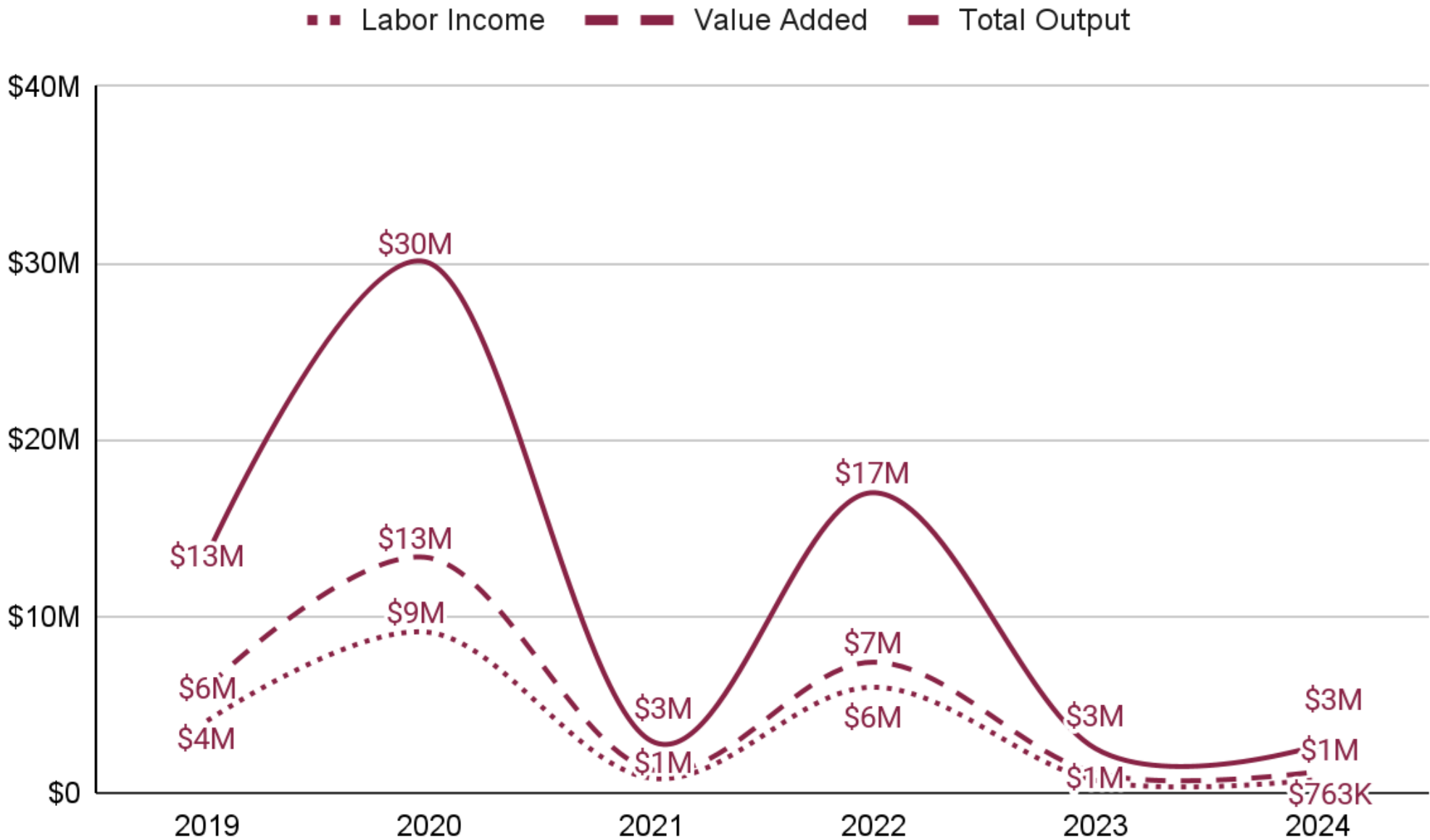
# Economic Impact: Tenant Employment



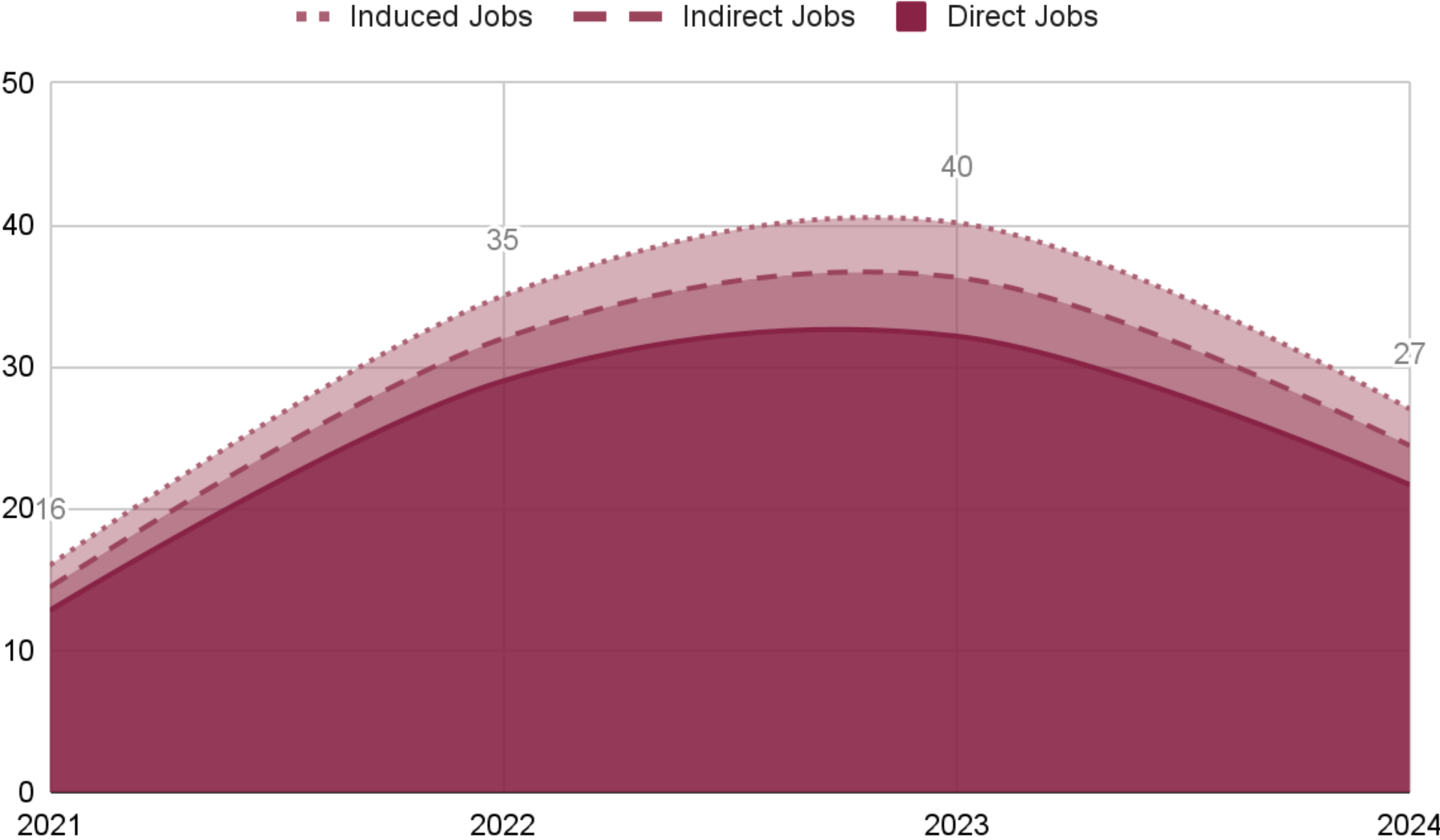
# Job Impact: Tenant Construction



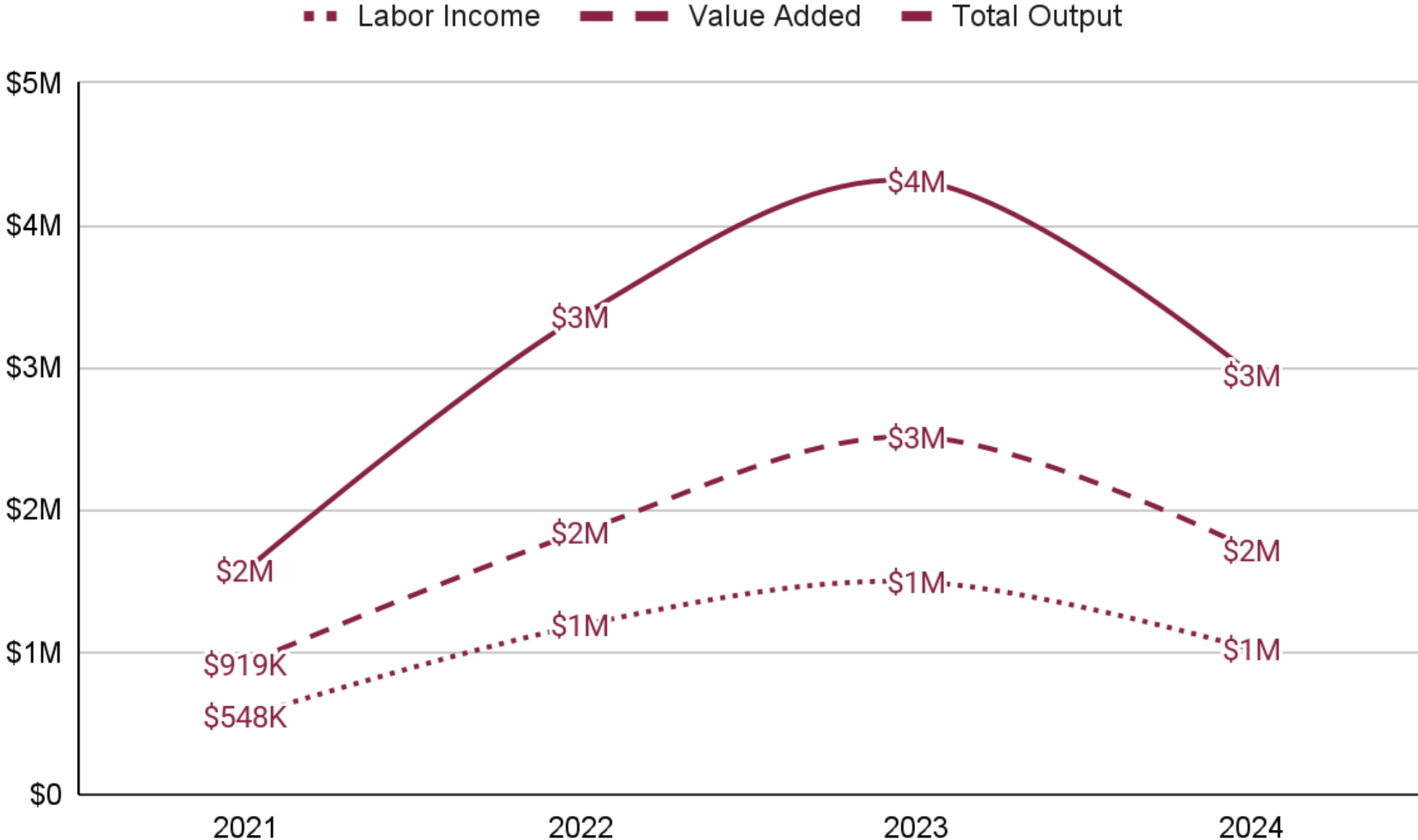
# Economic Impact: Tenant Construction



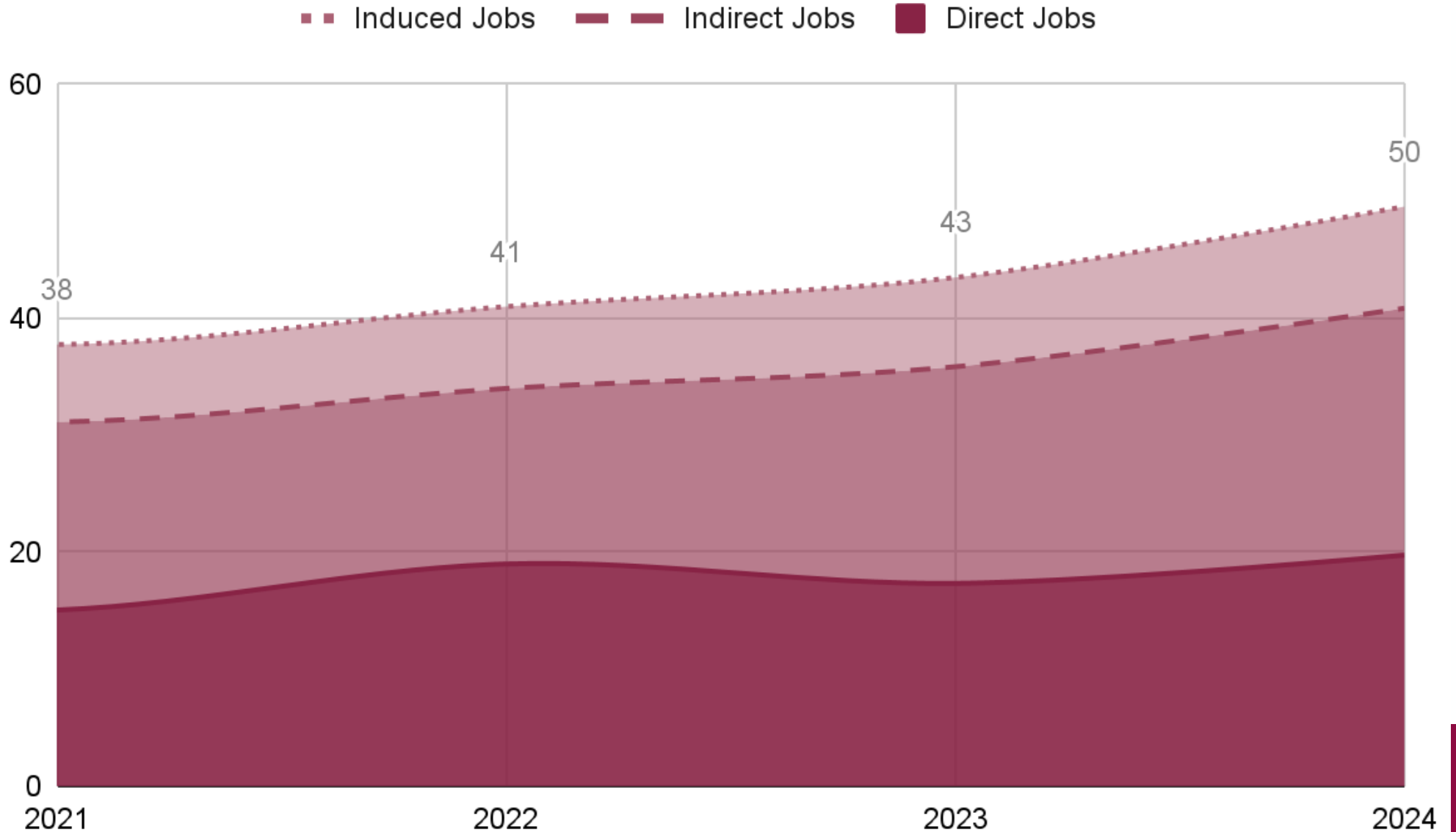
# Job Impact: Visitor Spending



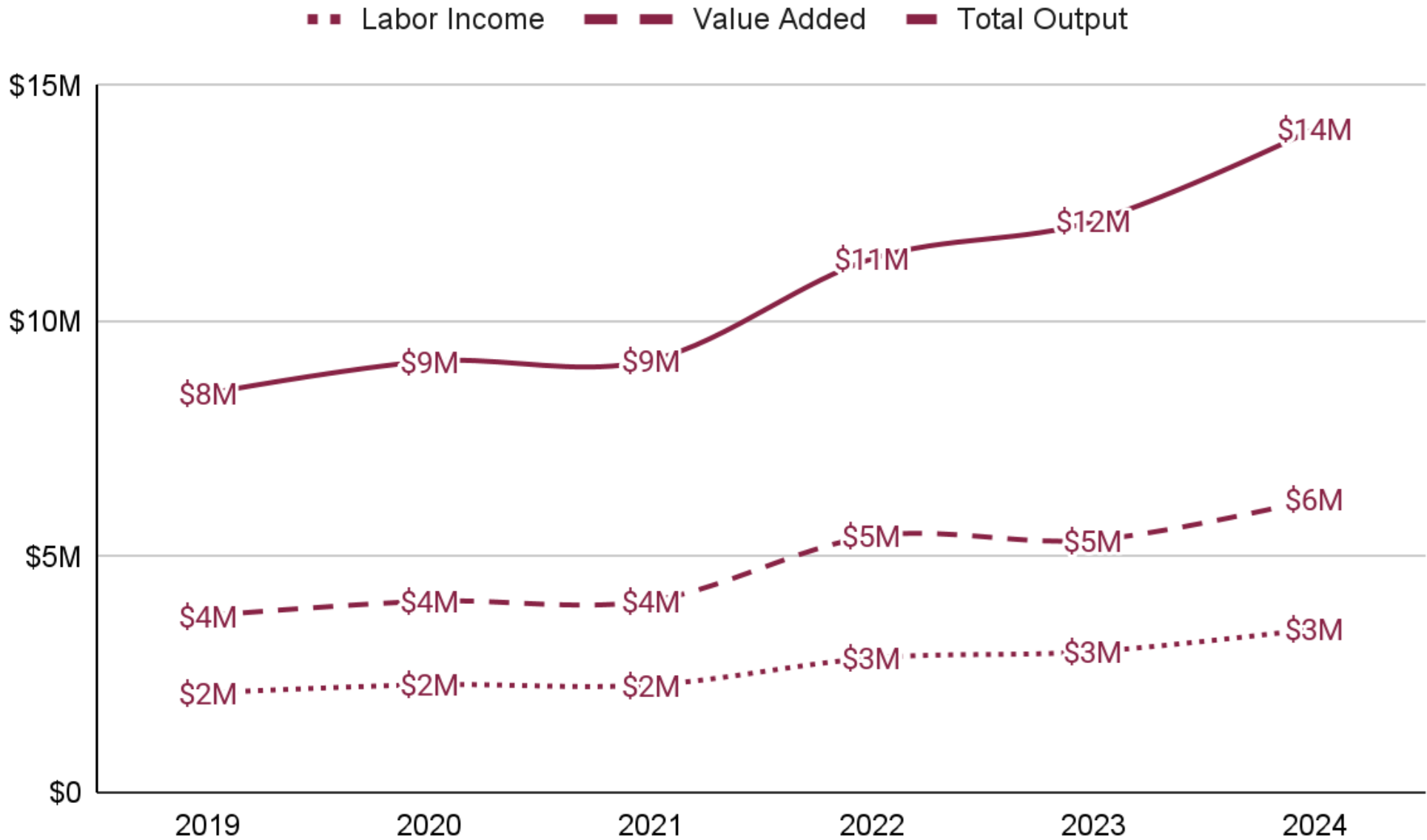
# Economic Impact: Visitor Spending



# Job Impact: Spaceport America Revenues

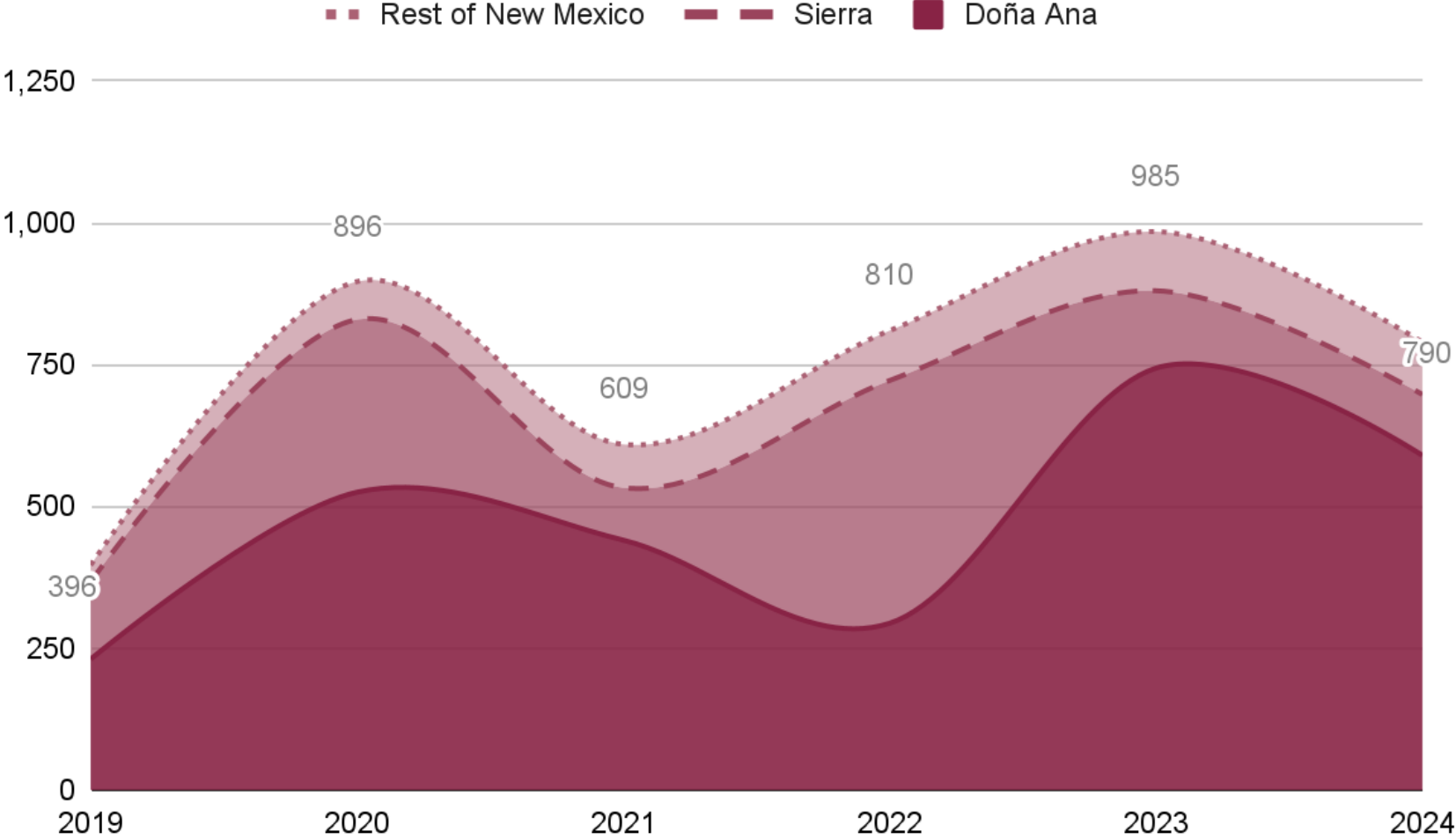


# Economic Impact: Spaceport America Revenues



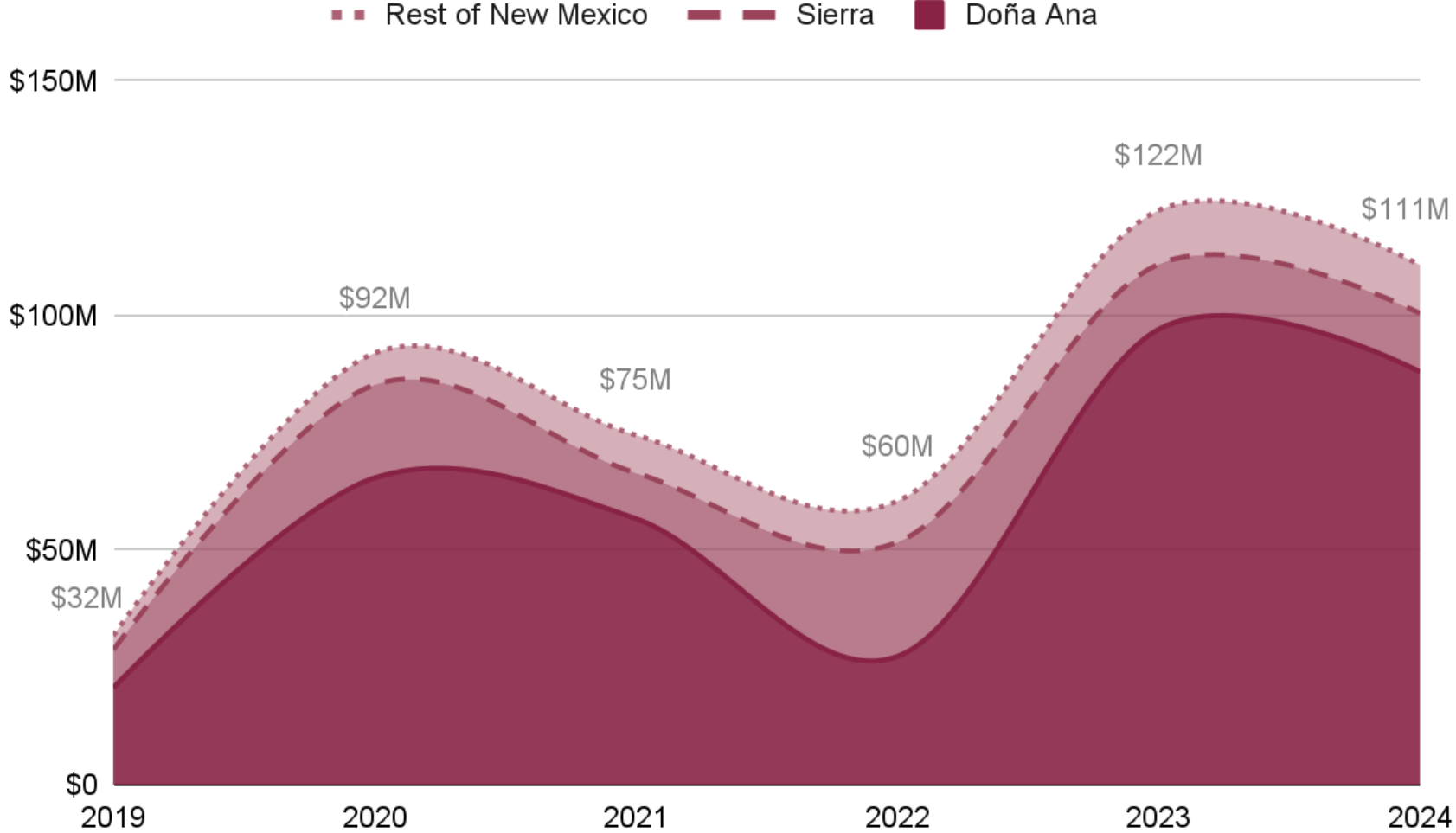


# Total Job Impact by County



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# Value Added by County



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# Economic Impact Results by County

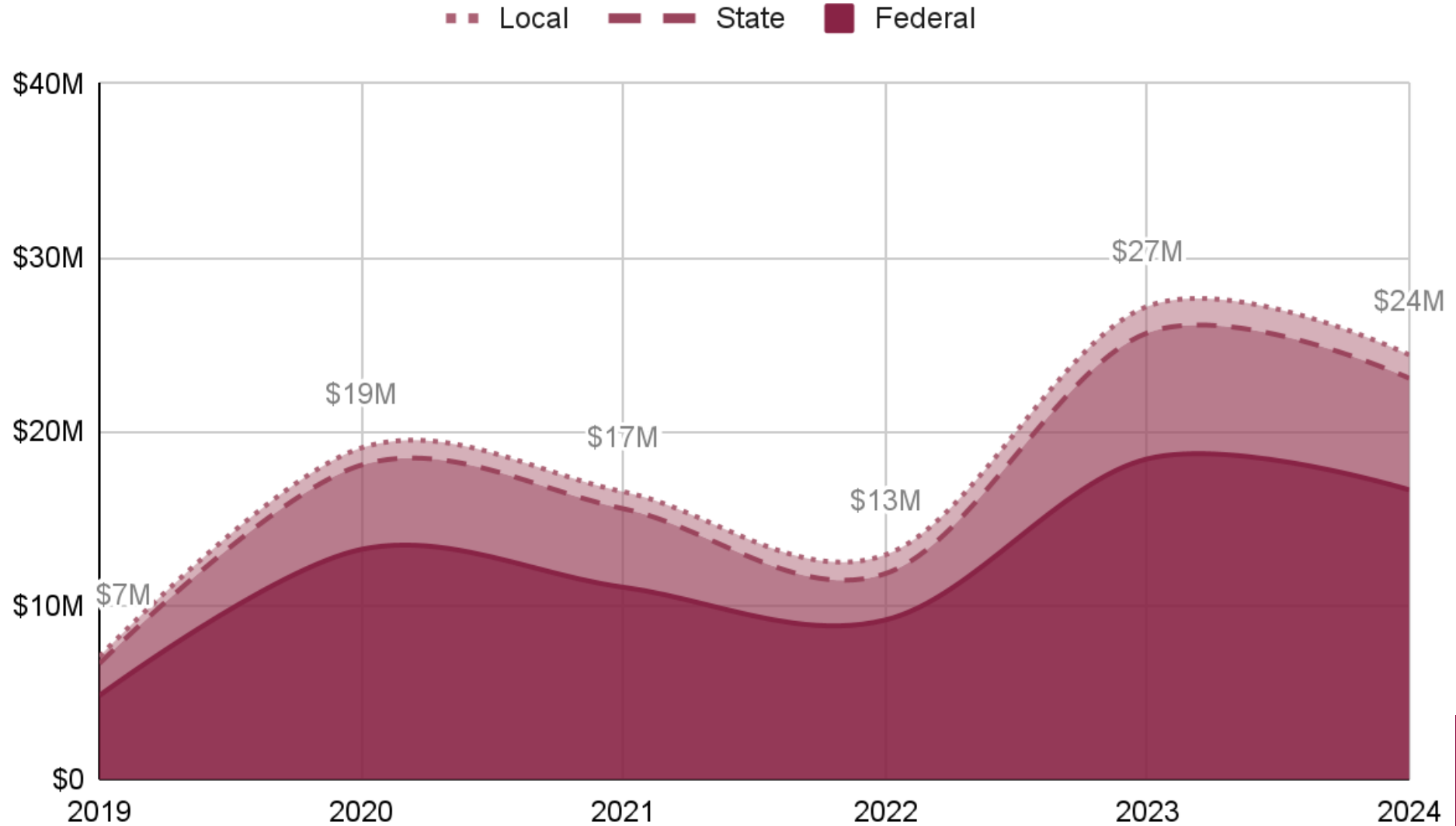
**Table 7. Spaceport America, Estimated Economic Impact, Doña Ana County, 2019-2024**

Impact	2019	2020	2021	2022	2023	2024
Direct Jobs	133	251	177	191	357	256
Total Jobs	231	525	440	294	744	590
Output	\$45,613,356	\$132,749,064	\$123,921,104	\$58,089,848	\$202,764,688	\$183,384,562
Value Added	\$20,657,012	\$65,405,880	\$56,706,012	\$27,341,436	\$97,068,668	\$88,015,416
Labor Income	\$14,524,834	\$41,162,189	\$40,280,080	\$19,994,414	\$64,279,895	\$57,789,027

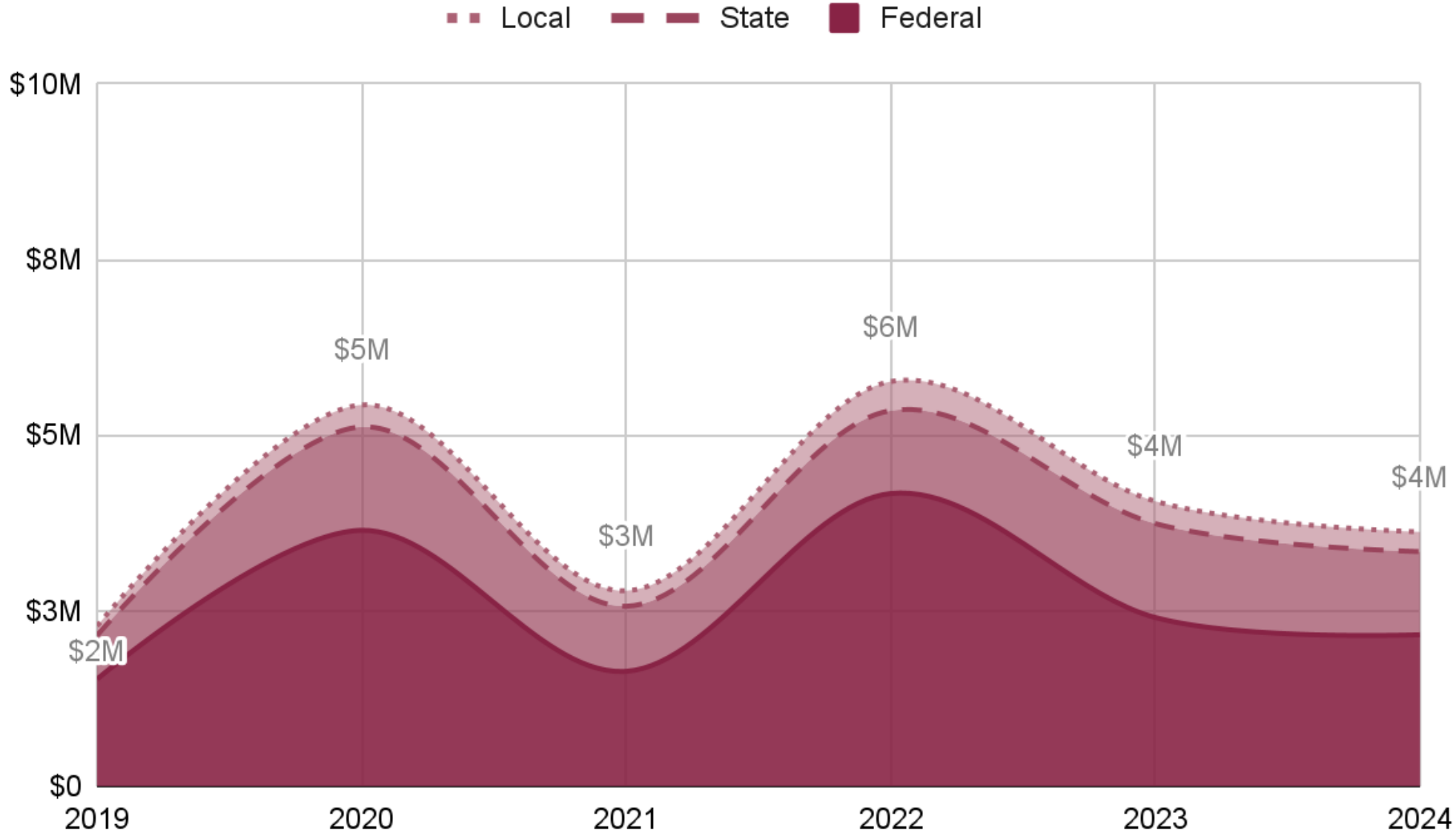
**Table 8. Spaceport America, Estimated Economic Impact, Sierra County, 2019-2024**

Impact	2019	2020	2021	2022	2023	2024
Direct Jobs	110	236	43	357	74	56
Total Jobs	137	304	92	428	136	107
Output	\$20,805,904	\$50,754,955	\$29,475,040	\$62,758,697	\$41,351,709	\$36,767,984
Value Added	\$8,092,598	\$19,835,892	\$9,703,350	\$24,327,828	\$13,861,496	\$12,445,146
Labor Income	\$5,751,585	\$13,615,522	\$6,926,936	\$19,665,860	\$9,535,260	\$8,514,665

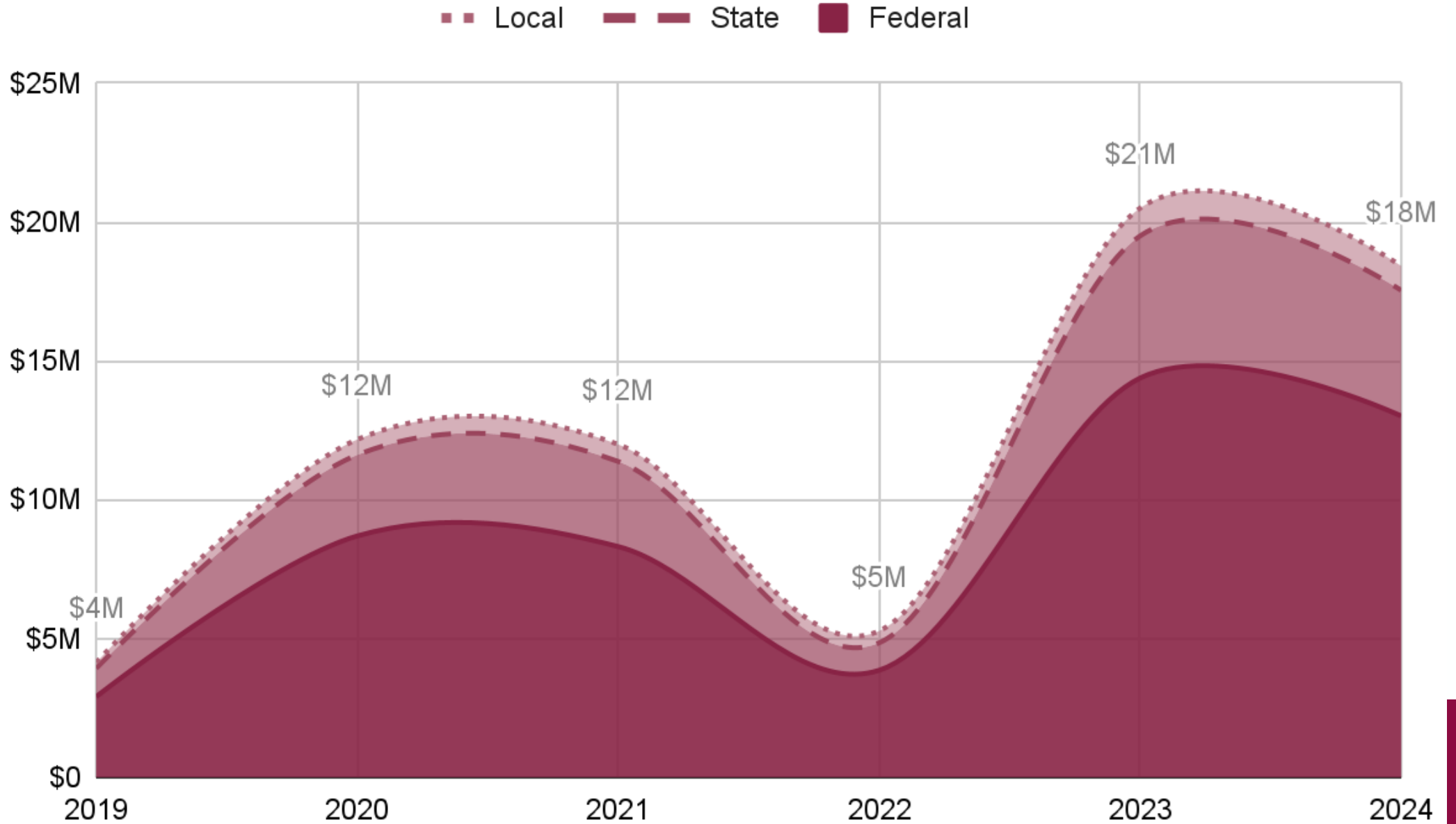
# Spaceport America Total Tax Revenue Impact



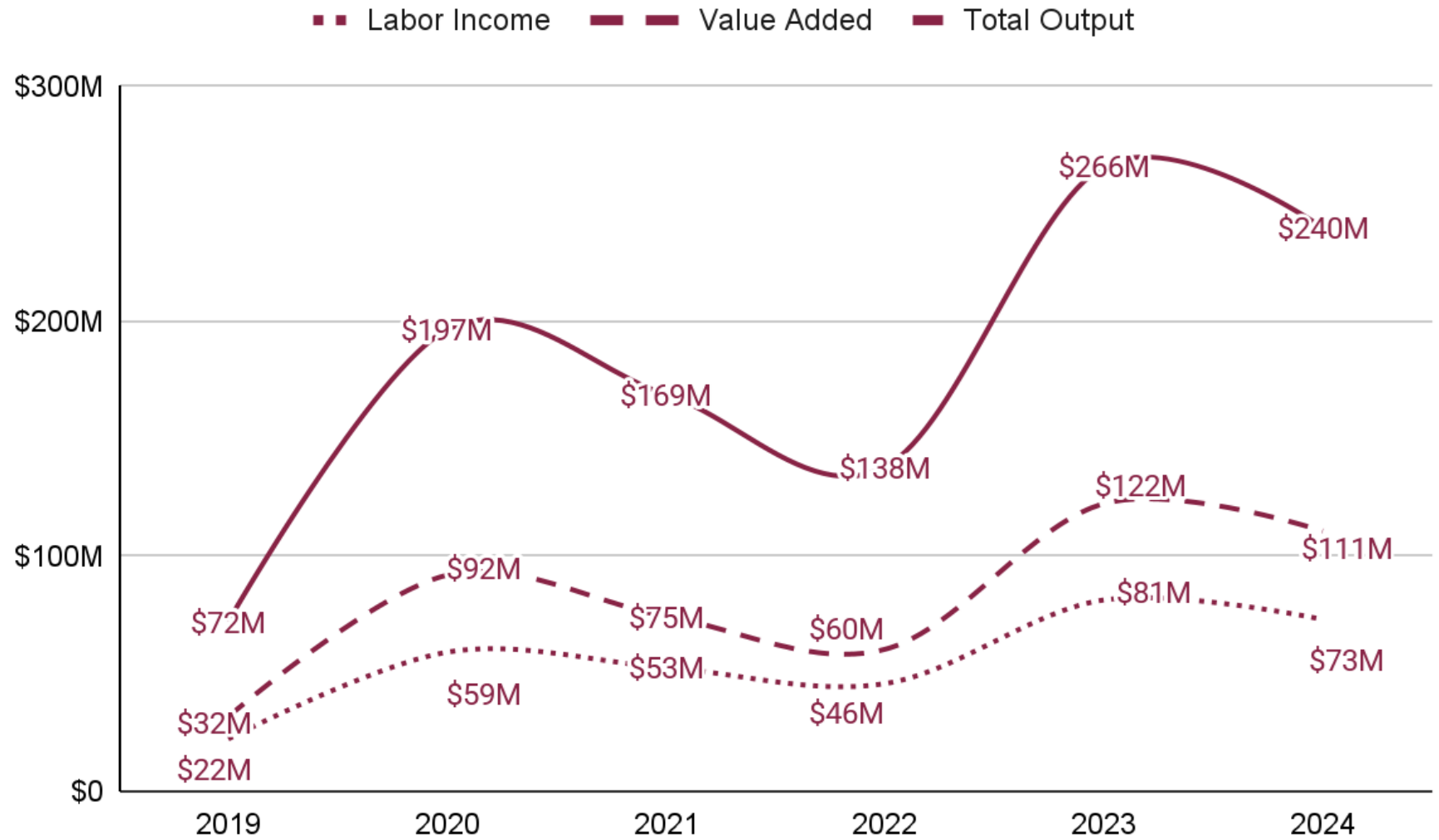
# Tax Revenue Impact, Sierra County



# Tax Revenue Impact, Doña Ana County



# Total Economic Impact



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# Total Economic Impact

Table 12. Spaceport America, Economic Impact, New Mexico, 2019-2024

Impact	2019	2020	2021	2022	2023	2024
Direct Jobs	242	487	221	549	431	313
Total Jobs	396	896	609	811	985	790
Output	\$72,265,317	\$196,511,257	\$168,920,735	\$138,080,756	\$266,020,386	\$239,784,359
Value Added	\$31,756,350	\$91,988,529	\$74,519,634	\$60,435,345	\$122,419,195	\$110,769,271
Labor Income	\$22,273,071	\$59,209,861	\$52,648,224	\$45,845,649	\$81,428,508	\$73,118,968
Total Taxes:	\$7,335,456	\$19,058,128	\$16,535,240	\$12,907,325	\$27,192,833	\$24,405,576
Federal	\$4,818,874	\$13,223,950	\$11,044,930	\$9,161,760	\$18,425,948	\$16,646,473
New Mexico	\$2,239,220	\$5,834,178	\$5,490,310	\$3,745,475	\$8,766,885	\$7,759,103



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# Conclusion:

***Spaceport America's economic impact over the period 2019-2024 has been positive for the state of New Mexico.***

- **Direct Jobs** grew to 313 in 2024, up from 242 in 2019
- **Total Jobs** reached 790 in 2024, up from 396 in 2019
- **Economic Output** equaled \$239.8 million in 2024, up from \$72.3 million in 2019
- **Labor Income** grew to \$73.1 million in 2024, up from \$22.3 million in 2019
- **Total Taxes** paid have in 2024 rose to \$24.4 million from \$7.3 million in 2019
- **New Mexico Taxes** paid reached \$7.8 million in 2024, up from \$2.2 million in 2019.



**Thank you.**

***Questions?***



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