



New Mexico Economic Development Department

All About our Great Team

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EDD ECONOMIC
DEVELOPMENT
DEPARTMENT

JUNE 9, 2021

*IMPROVE THE LIVES OF NEW MEXICO FAMILIES BY CREATING
ECONOMIC OPPORTUNITIES AND PROVIDING A PLACE FOR
BUSINESSES TO THRIVE*

OUR MISSION

- Invest in disruptive research and innovative companies
- Train New Mexicans for 21st Century jobs
- Plan for the next 20 years: targeted growth and economic diversity
- Devote special attention to underserved areas



OUR PHILOSOPHY

Office of the Secretary

- Economists
- Communications & Marketing
- General Counsel

Administratively Attached Agencies

Border Authority
Office of Military Planning & Support
Spaceport Authority

Film Office

Outdoor Recreation
Division

Economic Development Division

- Community, Business & Rural Development
- Finance Development
- MainStreet™
- JTIP
- Office of International Trade
- Office of Science & Technology

EDD Target Industry Sectors



Aerospace



Film & Television



Outdoor Recreation



Biosciences



Global Trade



Sustainable & Green Energy



Cybersecurity



Intelligent Manufacturing



Sustainable & Valued-Added Agriculture

The EDD Toolbox

Job Training Incentive Program

Finance Development:

LEDA

FUNDIT

Collateral Assistance Program

Small Business Finance Finder

International Trade

Taipei Office

Office of Science & Technology

Technology Research Collaborative

Catalyst Fund

New Mexico SBIR Matching Grants

S & T Business Startup Grants

Film Office

Film Partners

Film Crew Advancement Program

New Mexico MainStreet

Arts & Cultural Districts

New Mexico Historic Theaters Initiative

Frontier & Native American Communities

MainStreet Capital Outlay Projects

Outdoor Recreation Division

Outdoor Equity Fund (Now taking applications)

ORD Business Accelerators

New Mexico Trails

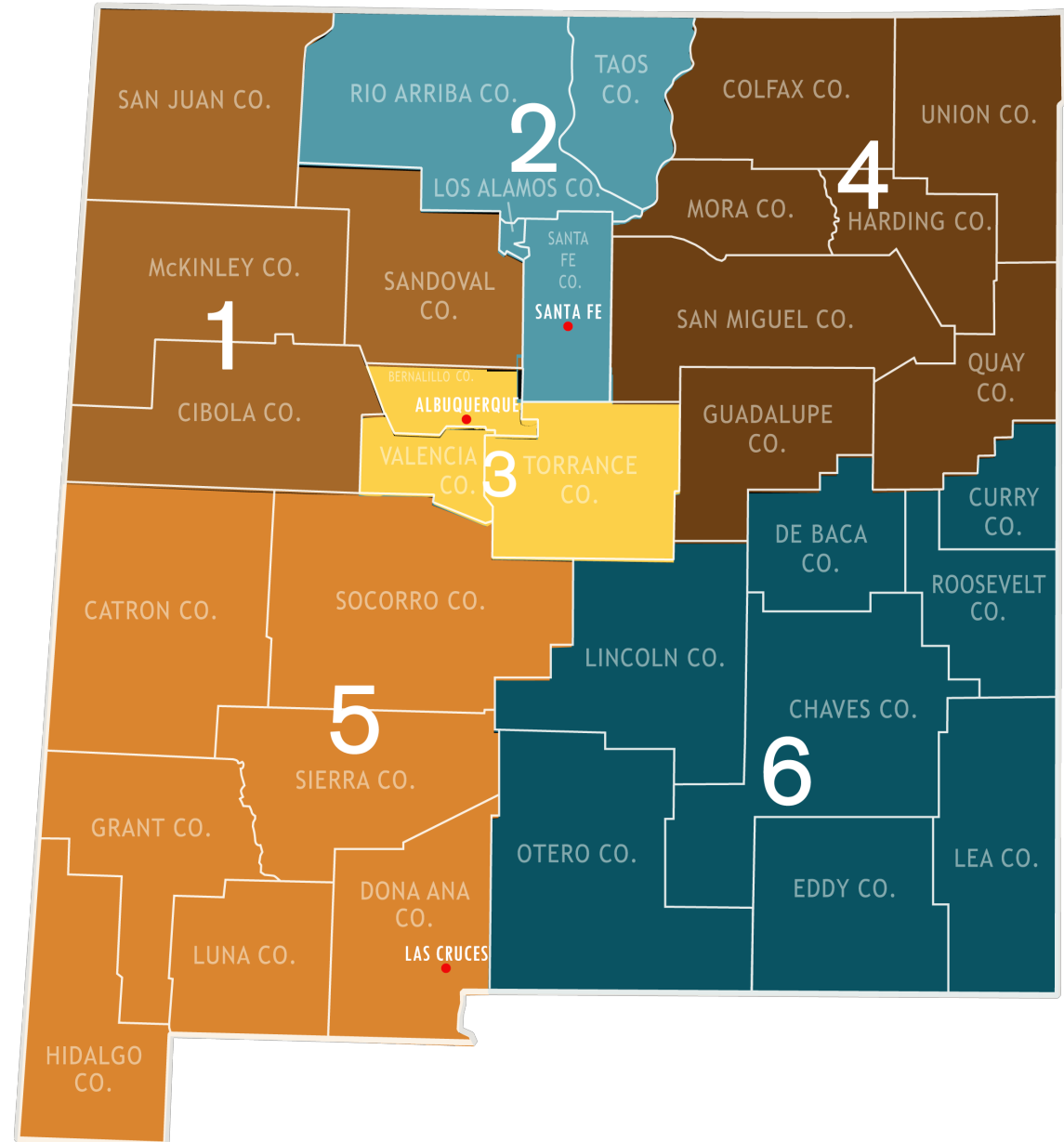
Community, Business & Rural Development Team

LEADS (Now taking applications)

Community, Business & Rural Development

*The Regional Representatives have offices
in their respective regions:*

- 1: Lorraine Ruggles, Bernalillo
- 2: Peter Mitchell, Santa Fe
- 3: Max Gruner, ABQ (Tribal Liaison)
- 4: Tim Hagaman, Mora
- 5: Louise Marquez, Las Cruces
- 6: Susie Russell, Roswell



2021 Legislative Action

- LEDA: \$30M
- Job Training Incentive Program: \$12M
- MainStreet Capital Outlay: \$2.5M
- LEADS (Local Economic Assistance & Development Support Program): \$200K
- Outdoor Equity Fund: \$872K
- Great New Mexico Trails: \$797K

Gross Receipts Tax Sharing

Partial GRT Revenue Capture & Sharing for Projects over \$350M

Limited to the construction phase of the project when construction and infrastructure costs exceed \$350M.

- No more than 50 percent of the revenues will be recaptured
- The recapture requires agreement between the state and the participating county and municipality

Benefits from these projects continue long after construction.

The **Facebook** Example

- One FB job supports 13 additional jobs in the community (Source: Facebook)
- When construction is complete Los Lunas is expected to generate a positive recurring net fiscal impact of over \$2M annually
- The State of New Mexico is expected to receive over \$75M in net GRT revenues over 10 years

Intel

700 new jobs @ \$145,000 annual compensation
\$3.5 Billion investment
1,000 construction jobs

Clean Fuels Standard

2022 LEGISLATIVE PRIORITY

Economic Impact

State economists studied California's Low-Carbon Fuel Standard and found the state's clean fuels market grew by 50% in only five years - between 2011 and 2016:

- ❑ **Employment in biomass increased 37%**
- ❑ **Employment in wind generation increased 16%**
- ❑ **Employment in solar electric increased 123%**
- ❑ **Ethyl alcohol production employment increased 53%**

More STEM jobs: New Mexico already has the technological ability and the support from private partners and our national labs to create these advances here.

The impact on the consumer at the pump was **negligible** – Oregon and California reported no discernible impact on retail prices.

The credits generated by SB11 will create a market-based incentive for businesses to participate in carbon reduction and improve global health.

21st Century Jobs: The credit market itself will create new jobs in specializations that don't exist today.

Moving Forward Rapidly

Major companies like **Honda, Toyota, Hyundai, Audi, BMW, and Volvo** are leaning toward clean fuel technology. Attracting one or more of these companies to New Mexico would be a major economic boon.

On January 28, 2021, **GM** announced plans to become carbon neutral in its global products and operations by 2040.

BP plans to boost its investment in low-carbon fuels like bioenergy, hydrogen and carbon capture tenfold, to \$5 billion, by 2030.

The Boeing Company said last month it will begin delivering commercial airplanes capable of flying on 100% biofuel by the end of the decade. A company executive called reducing environmental damage from fossil fuels the “challenge of our lifetime.”

Elon Musk is also in the game. The SpaceX and Tesla CEO has pledged \$100 million to whoever develops the best carbon capture technology.



What are economic base companies?

Why do they matter?

- Money coming from outside into New Mexico
- Customer spending power
- Benefits to local service and retail businesses
- Economic diversification

Economic base companies can locate anywhere.

Why economic development incentives?

We must be competitive with other locations.

Key Programs

RESTORING OUR ECONOMY

LEDA

Local Economic Development Act

Communities Impacted:

- Albuquerque
- Cimarron
- Las Cruces
- Las Vegas
- Los Alamos
- Lovington
- Moriarty
- Prewitt
- Rio Rancho
- Roswell
- Santa Fe
- Santa Teresa
- Socorro
- Spaceport America
- Sunland Park

	LEDA \$	Jobs	CapX	Payroll	Economic Impact (10yr)
FY20 Total	\$12.8M	1,585	\$350M	\$85M	\$2,189B
FY20 Rural	\$1.85M	247	\$31.3M	\$8.5M	\$1.028B
FY21 Total*	\$47.3M	2,601	\$4.2B	\$234M	\$17.9B
FY21 Rural*	\$14.5M	229	\$169M	\$50M	\$2.2B
*To-date					



LEDA now allows for investments in rural infrastructure projects not necessarily tied to job creation.

An improved waterline to the Moriarty Airport will allow for increased business development there.

JTIP

Job Training Incentive Program

Communities Impacted –

- Albuquerque
- Church Rock
- Clovis
- Corrales
- Deming
- Las Cruces
- Las Vegas
- Los Alamos
- Lovington
- Moriarty
- Rio Rancho
- Roswell
- Sandia Park
- Santa Fe
- Santa Rosa
- Spaceport America
- Sunland Park
- Taos
- Truth or Consequences

	# Businesses	# Trainees	Allocated \$
FY20 Total	65	2,065	\$18,083,522
FY20 Rural	19	750	\$4,844,036
FY21 Total*	71	2,604	\$21,323,287
FY21 Rural*	19	536	\$4,727,296
*To-date			



Cavu Aerospace, Roswell



Some LEDA & JTIP Success Stories

These projects represent the Advanced Manufacturing, Aerospace, Biosciences, Film & Television, Renewable Energy, and Value-add Agriculture target industry sectors.

Intel Expansion

*Domestic hub for advanced
semiconductor manufacturing*

Expansion only:

700 permanent jobs

Average salary of **\$140K**

10-year Economic impact of **\$3.6B**

Private investment of **\$3.5B**

LEDA investment of **\$5M**

*\$14M in GRT sharing from New
Mexico & Sandoval County*



\$550M in construction & 1,000 construction jobs

NETFLIX

Netflix purchased ABQ Studios in 2018. The 2020 Netflix expansion has been recognized by Site Selection Magazine as one of the *Top 20 Deals in North America*.

Expansion only:

994 jobs

Average salary of \$48K

10-year Economic Impact of \$4.2B

Private investment of \$500M

LEDA investment of \$17M



An additional \$1B in production spend & 1,467 construction jobs

Los Poblanos Historic Inn & Organic Farm

The original home of Creamland Dairies – Los Poblanos was a model experimental farm in the 1930s.

24 new jobs

Average salary of **\$41,535**

10-year Economic impact of **\$283M**

Private investment of **\$2.3M**

LEDA investment of **\$250K**

Los Poblanos currently purchases agriculture from 36 ranchers, farmers, and growers across the state.



Bueno Foods

Started in the 1940s as a family-owned grocery store, manufacturing began in 1951.

49 new jobs

Average salary of **\$37K**

10-year Economic impact of **\$1.6B**

Private investment of **\$10M**

LEDA investment of **\$500K**

Bueno Foods contracts with New Mexican chile farming families across the state who will also benefit from this expansion.



La Primera Tortilla Factory

Located in Sunland Park, La Primera is a 37-year-old family- owned business serving the Las Cruces and El Paso markets.

14 jobs

Average salary of **\$24K**

10-year Economic impact of
\$111M

Private investment of **\$2.7M**

LEDA investment of **\$50K**



Saputo Dairy USA

Saputo Dairy USA is one of the largest cheese and dairy foods producers in the US.

150 jobs

Average salary of **\$35,000**

10-year Economic impact of
\$1.6B

Private investment of **\$30M**

LEDA investment of **\$2.5M**

JTIP commitment of **\$668.7K**



Build With Robots

ABQ company that builds worker integrated robotics and automation. Their robots are disinfecting the Sunport.

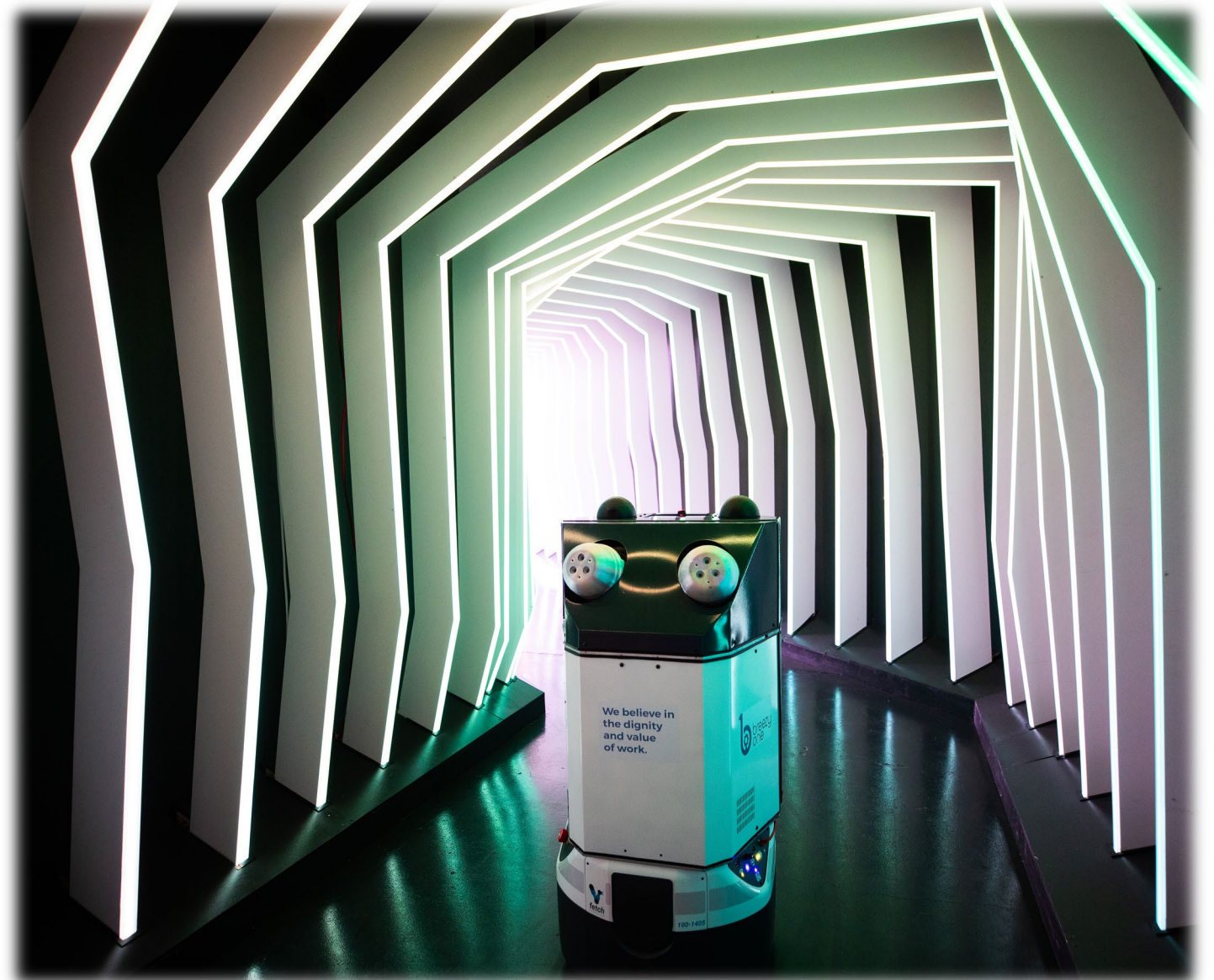
64 STEM jobs

Average salary of **\$71K**

10-year Economic impact of **\$394.5M**

Private investment of **\$36.2M**

LEDA investment of **\$360K**



SpinLaunch

Located at Spaceport America – SpinLaunch is developing a mass accelerator to launch satellites into space using kinetic energy.

59 STEM jobs

Average salary of **\$173,984**

10-year Economic impact of **\$526.5M**

Private investment of **\$45.4M**

LEDA investment of **\$4M**

JTIP support of **\$434.7K**



SCEYE

SCEYE has been in New Mexico for 3 years conducting research at airports in Roswell & Moriarty. SCEYE plans to use airships to provide broadband universally and will manufacture them in New Mexico.

140 jobs

Average salary of **\$75K**

10-year economic impact of **\$990M**

Private investment of **\$100M**

LEDA investment of **\$5M**

JTIP commitment of **\$498K**



LaSen

LaSen specializes in aerial inspection and mapping services. The company is expanding with a larger headquarters facility, and new drones and helicopters

79 jobs

Average salary of **\$64,552**

10-year Economic impact of **\$463M**

Private investment of **\$4.3M**

LEDA investment of **\$750,000**

JTIP support of **\$226,370**



Nature's Toolbox

*Homegrown biosciences company
moving to a 25,000 SF facility in Rio
Rancho*

116 STEM jobs

Average salary of \$74,335

**10-year Economic impact of
\$327.8M**

Private investment of \$26.9M

LEDA investment of \$5M

JTIP support of \$677,972



Affordable Solar

Established in New Mexico in 1998, the company's latest growth is attributed to national policy supporting renewable energy

70 new jobs

Average salary of **\$64K**

10-year Economic impact of **\$2.7B**

Private investment of **\$11.2M**

LEDA investment of **\$500K**

JTIP support of **\$1,155,984**



Global Trade & FDI Successes

Three Taiwanese
companies have
chosen to locate in
Santa Teresa



Admiral Cable



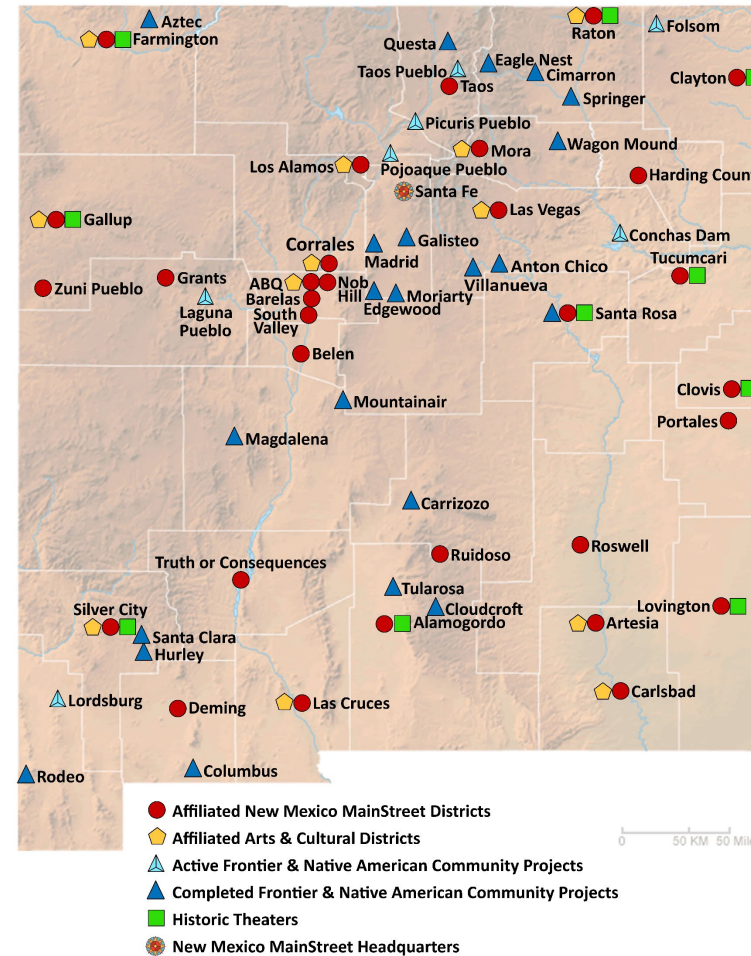
New Mexico MainStreet™

Mission: MainStreet develops local capacity to engage people, rebuild place and grow the entrepreneurial, creative and business environment resulting in economically thriving downtowns, greater business and employment opportunities and a higher quality of life.



31 Affiliated MainStreet Districts

New Mexico MainStreet Network Map



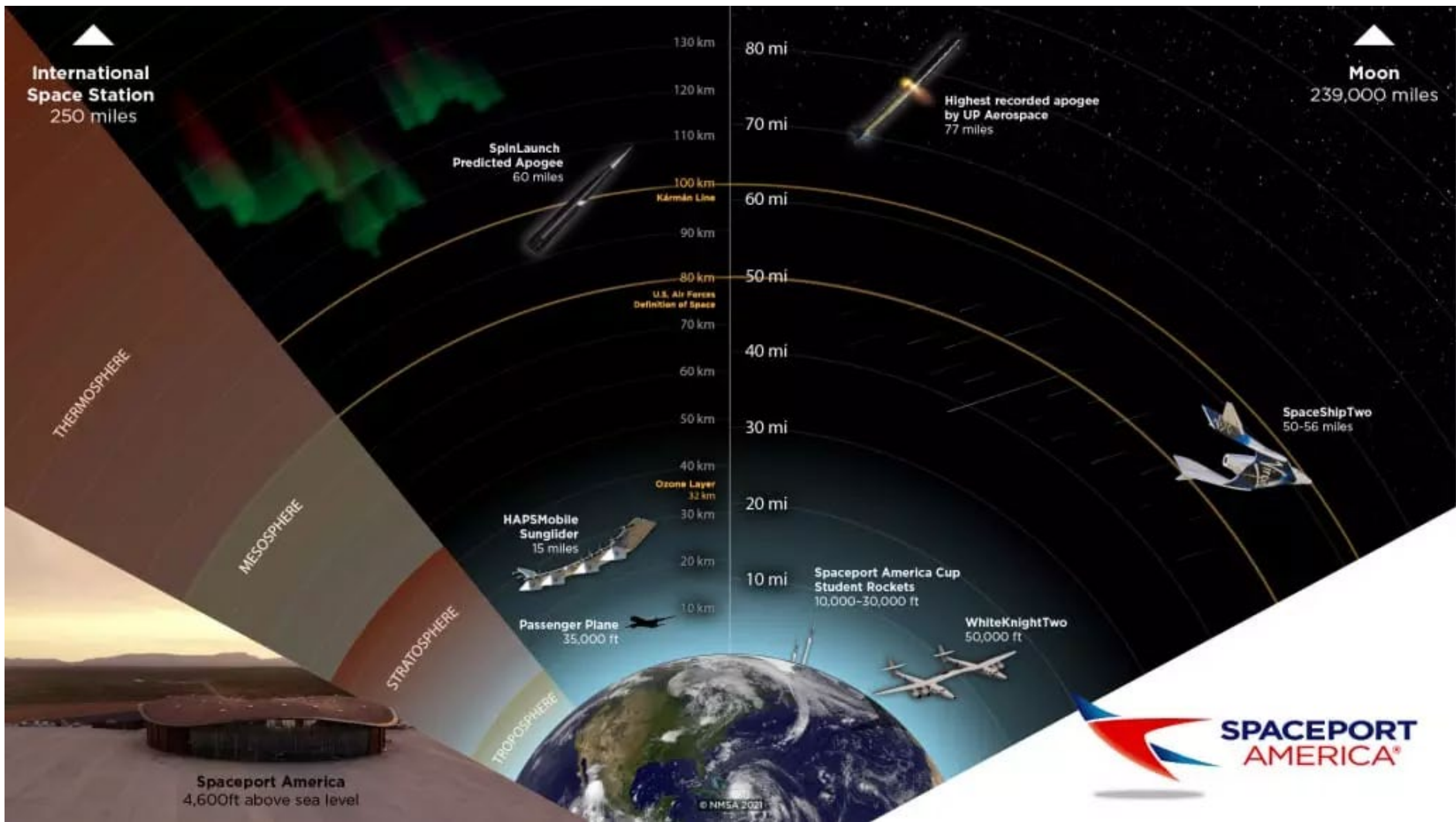
MainStreet Initiatives:

- Frontier & Native American Communities
- Urban Neighborhood Commercial Corridor Initiative
- Arts & Cultural Districts
- Historic Theaters

Outdoor Recreation Division

- **\$2.4 billion** to state GDP in 2019.
- **35,000+ jobs** with **\$1.2 billion** in income.
- **2,700+** New Mexican youth experiencing Outdoor Equity Fund programming.
- **6 outdoor infrastructure projects** funded in 2020 to create **~100 FT, PT and seasonal jobs**.





Home to a growing cluster of aerospace companies conducting cutting-edge research and technology development



Virgin Galactic reaches space above New Mexico

New Mexico becomes the 3rd state to send humans to space.

USS Unity reached space at an altitude of 55,45 miles before gliding smoothly to a runway landing at SA.

Film & Television

Average salary in the industry is **\$56,175**

New Mexico median family income - **\$49,754**

The industry supports over **9,000 jobs**

Another record-breaking year of production spend



New Mexico Named The Inagural HotSpot by Deadline Hollywood



MovieMaker

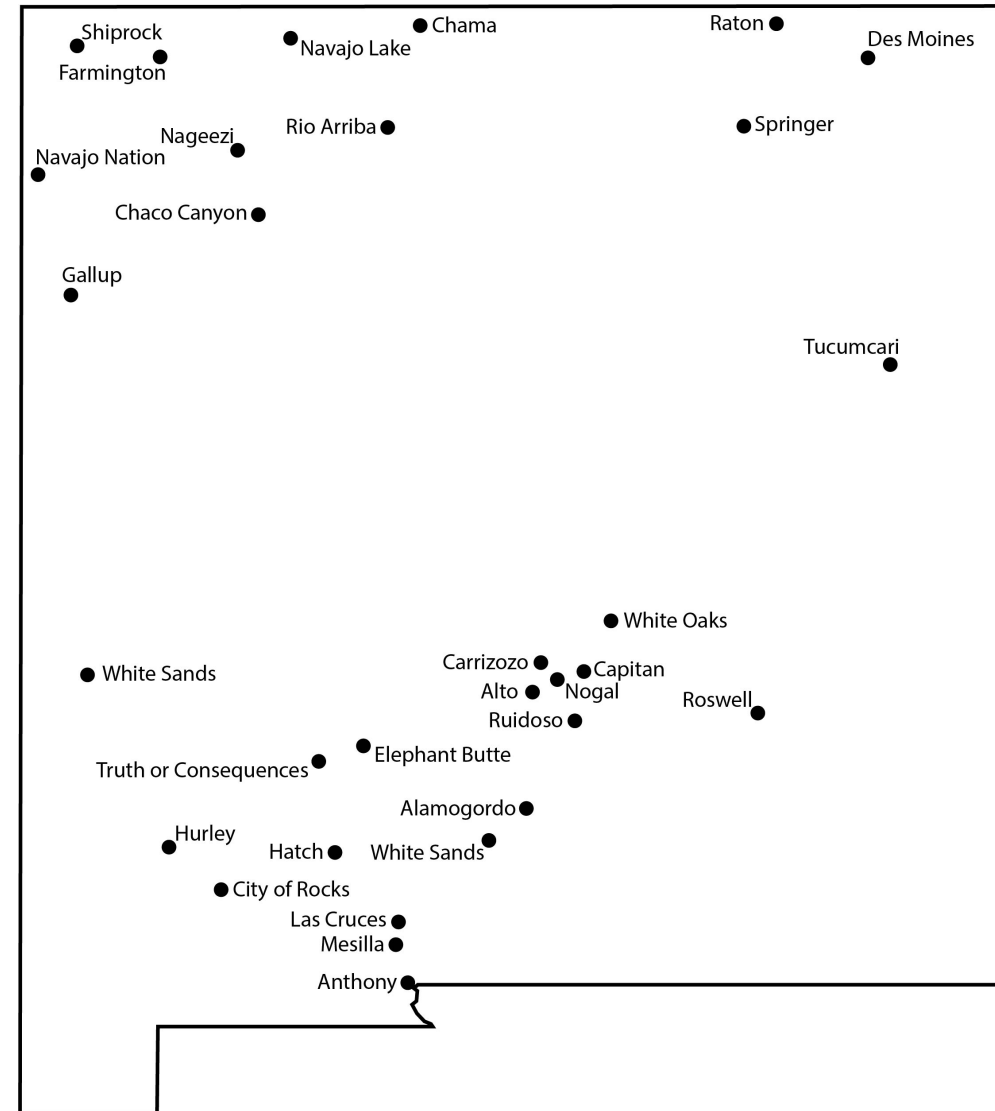
Two New Mexico Cities Named 'Best Place to Live and Work as a Movie Maker' by Movie Maker Magazine

Albuquerque #1 - Big Cities
Santa Fe #2 - Small Cities and Towns

Rural Film Locations Since January 1, 2019



Productions in these locations received the additional 5% tax credit per SB2:



Strategic Plan Project Overview

Short-term recovery, 5-year, 20-year strategies

Unique strategies for state's 9 targeted industry sectors with actionable recommendations

Plan and strategies will be tied to national, statewide, local data collection, SWOT analysis and other identified plans including COG recovery and 5-year plans

Concrete action plan for economic diversification away from state's current dependence on the oil and gas sector, retail and public sectors which can inform legislative and infrastructure strategies

Collection of Existing Data

For each COG region, SRI will collect, analyze, and communicate...

Socioeconomic data of the residents and workforce

Distribution of *jobs and skills* in each target industry

Prevalence of strong/growing *industry clusters* and supply chains

Business establishment *characteristics*

Nature and intensity of *innovation and entrepreneurship* activities

Commute and *migration* patterns

Housing supply, quality, and affordability

Availability of *suitable sites and infrastructure* for target industry businesses

Data sources include but are not limited to:



Survey

Background of Point of Contact

General Information

Questions for Economic Development, Government, Non-Profit Organizations

- Workforce-Focused
- Innovation-Focused

Questions for the Industry

- Workforce-Focused
- Innovation-Focused

Questions for Education or Workforce Development Institutions

- Workforce-Focused
- Innovation-Focused

Economic Assessment

Topics may include, among others...

Demographics	Labor Market & Workforce	Business Context	Innovation & Entrepreneurship	Infrastructure & Environment
Population growth	Strength of STEM workforce	GDP growth	Technology-intensive business	Passenger and cargo totals
Migration trends	Unemployment / underemployment	Industry composition	Startups and incubators	Recreation economy
Age distribution over time	Educational attainment	Foreign direct investment	Venture capital activity	Energy use and production
	Wages		Patent filings	
			Government and university R&D	



At the **state level**, New Mexico's performance will be compared to a select group of **peer states**.

SRI will also identify several **peer metropolitan regions** for New Mexico's principal **urban areas**.

Target Industry SWOT Analysis



Short-term
0-2 years, incl. COVID recovery

Medium-term
up to 5 years

Long-term
5-20 years

Overall

Strengths

Business retention

Business incentives

Institutional capacity building

Comprehensive analysis and integrated narrative to inform strategy development

Weaknesses

Workforce recovery

Workforce attraction

Alignment of higher education to industry needs

Matrix scorecard assessing the strengths, weaknesses, opportunities, and threats of each industry for each COG and for New Mexico

Opportunities

Supply chain recovery

Competitive environment

Infrastructure opportunities and challenges

Threats

Reskilling and retraining

Industry innovation

Emerging technology adoption

Broadband connectivity

Land use policy

Ensuring equitable access to opportunities within industry

Environmental regulation

Asset Mapping

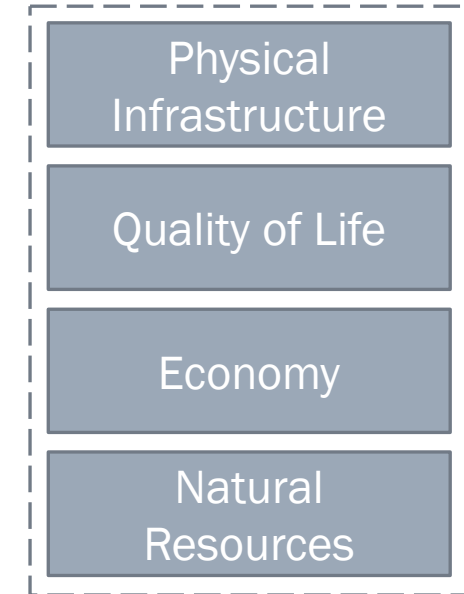
State Level



Topics may include...



Region / Local Level



Harmonized Schedule

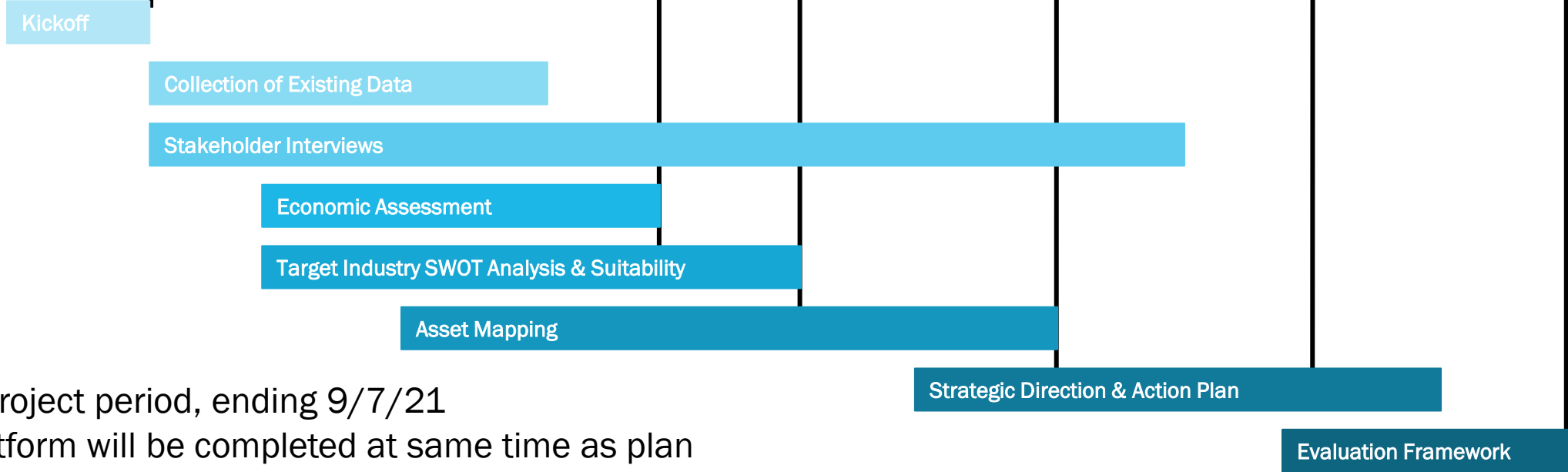
Deliverables

1. Revised Project Plan
 2. Draft Economic Assessment, Target Industry SWOT Analysis & Suitability Matrices
 3. Draft Asset Map
 4. Final Economic Assessment, Target Industry SWOT Analysis & Suitability, & Asset Map
 5. Draft Vision, Strategic Goals, & Action Plan
 6. Final Economic Development Plan

Months



Tasks



6-month project period, ending 9/7/21
 Online platform will be completed at same time as plan



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