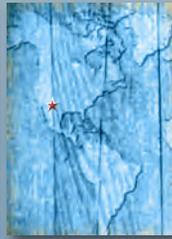


NEW MEXICO ECONOMIC DEVELOPMENT DEPARTMENT

FY13 STRATEGIC PLAN



FY13 STRATEGIC PLAN

TABLE OF CONTENTS

Letter from Cabinet Secretary Designate Barela.....	3
Introduction, Vision for New Mexico, Mission, Strategic Planning Process.....	5
How Economic Development Programs Impact Job Creation.....	6
Why is Economic Development Vital in Every Community?.....	7
New Mexico's SWOT — A Global Perspective.....	7
Office of the Secretary.....	8
Small Business-Friendly Task Force.....	8
Blue Ribbon Jobs Package.....	8
Office of Business Advocacy.....	9
Administrative Services Division.....	9
Additional Programs in the Office of the Secretary.....	9
Recruiting New Industry: New Mexico Economic Development Corporation (Partnership).....	10
Business Expansion and Start-ups: Economic Development Division.....	11
New Mexico MainStreet Program.....	11
Arts and Cultural District Program.....	12
Financial Development Team.....	12
Job Training Incentive Program.....	13
Community, Business and Rural Development Team.....	14
Tribal Liaison Program.....	14
Office of International Trade.....	15
New Mexico Film Office.....	16
1. Economic Impact.....	17
2. New Mexico Filmmaker's Program.....	17
3. Statewide Film Liaison Network.....	17
4. Workforce Development.....	18
5. Film Tourism.....	18



New Mexico Economic Development Department (EDD)
Strategic Plan for FY2013

September 2011

In April, the EDD staff and I, along with our economic development partners and stakeholders across the state, looked at how our department could achieve the goal of creating jobs and expanding target industries in New Mexico.

Under Governor Susana Martinez's leadership, EDD has implemented three key initiatives that have produced results without any additional state resources and which I believe will make our communities and the state more competitive. They are: the Small Business-Friendly Task Force, aimed at eliminating or revising unnecessary or duplicative regulations that hinder job growth; the Office of Business Advocacy, designed to help enterprises resolve regulatory, permitting or other issues that may be a barrier to job creation; and the Economic Development Job Creation Town Halls, to refocus on what communities want and need. Each program is detailed in this report.

Additionally, EDD launched a revitalization of several legacy programs that had gone dormant, but which I believe are critical to our mission. Those programs are: the State Data Center, a website that is responsive to recruitment, retention and expansion, presented at a level meeting professional expectations; the restart of the popular New Mexico 9000 program; better integration of the New Mexico Partnership into the overall economic development community; and increased accountability across all of the Economic Development Department's divisions. For those of you who participated in these discussions, thank you. When you review our programs and objectives, I believe you will see that we are listening.

Since the first of this year, I have traveled to more than 35 communities in our state, including a recently-completed, 10-community job creation tour, and visited with community, industry and business leaders, as well as with various economic development organizations, to listen to their views, concerns and needs when it comes to creating jobs in New Mexico. There have been many challenges for our communities, but there have also been success stories. Some of the emerging themes from these visits include: revising the tax code and regulatory laws, permanently funding the Job Training Incentive Program, and addressing infrastructure gaps statewide.

In addition to these efforts, our regional representatives will be conducting a "business retention and expansion" survey which will afford us the opportunity to reach out to New Mexico's business community and make sure any potential issues are discovered and addressed.

This administration is committed to ensuring that our state is "open for business." Through this strategic plan, we are working diligently to move our state to the forefront of economic development success and job creation.

Sincerely,



Jeff Barela
Cabinet Secretary-Designate
New Mexico Economic Development Department

FY13 STRATEGIC PLAN

INTRODUCTION

The New Mexico Economic Development Department (EDD) Strategic Plan informs our constituents, Legislators and the Governor as to how and where EDD resources are allocated to accomplish our statutory directive to create new jobs. It is intended to provide transparency, accountability and flexibility.

VISION FOR NEW MEXICO:

All New Mexicans are afforded economic opportunities.

MISSION:

Enhance and leverage a competitive environment to create jobs, develop the tax base, and provide incentives for business development.

STRATEGIC PLANNING PROCESS:

This process began in April and included several meetings with staff, stakeholders, partners and local economic development groups. During the annual Rural Economic Development Forum, attendees divided into regional groups and their discussions culminated in a list of priorities from each of the state's seven planning regions.

The Top Six Priorities From These Discussions Are:

- ▶ 1. *Re-tool the tax code and regulatory environment.*
- ▶ 2. *Restore state incentives and programs, including funding for the Job Training Incentive Program, cooperative advertising and the Certified Community Initiative, to a more robust funding level.*
- ▶ 3. *Infrastructure development is to be put into place where there are gaps that hinder economic development.*
- ▶ 4. *Statewide rural entrepreneurship assistance with business incubation facilities or services are to be made available in each region.*
- ▶ 5. *Reform LEDA to meet the needs of rural villages.*
- ▶ 6. *Enhance workforce training programs to respond to the needs of business.*



In May 2011, a meeting was held with New Mexico's largest cities, and the topic was business recruiting. Discussions included elements of an effective program that will generate more business recruitment opportunities for a broader variety of communities, taking into consideration location, workforce population and other factors. Participating communities identified their target industries and job creation goals for the next year and these are reflected in the table below.

COMMUNITY	TARGET # OF JOBS (FY12)	TARGET INDUSTRIES
Albuquerque	2,000	Energy, defense, research, regional headquarters, aviation/ aerospace, digital media, optics, advanced materials
Clovis	250	Back office operations, energy, food processing
Farmington	200	Electronics, energy, tourism-related business, agriculture (NAPI), data centers
Grants	25	Logistics/distribution and wood products
Hobbs	100	Energy, metal fabrication, food processing
Las Cruces	500	Warehousing, aerospace, renewable energy, border-related business, DOD/Homeland Security and manufacturing
Los Lunas	50	Small manufacturing, warehousing, retail
Rio Rancho	400	Digital media, light manufacturing, back office operations, bio-medical and renewable energy
Roswell	45	Aircraft manufacturing and services, Homeland Security and renewable energy

The goals, objectives and proposed performance measures in this plan reflect the priorities and feedback that EDD received in this series of meetings. To ensure that the department remains flexible and responsive to its partners, EDD holds quarterly meetings with economic development leaders throughout the state.

HOW ECONOMIC DEVELOPMENT PROGRAMS IMPACT JOB CREATION

For as long as there have been economic development programs, there have been three approaches to job creation: recruiting new businesses, expanding existing businesses, and assisting new business start-ups. Incorporated communities in this state range in population from the smallest: Grenville with a population of 38, to Albuquerque, with 545,852 residents (Source: Census 2010). Economic development cannot be accomplished without research, planning, product development and marketing. An effective economic development program is a partnership between stakeholders and the various entities that contribute to its success. The Economic Development Department provides a unique menu of services to serve each community.

WHY IS ECONOMIC DEVELOPMENT VITAL IN EVERY COMMUNITY?

- ▶ **Job Creation** – targeting job creation creates opportunities with better wages, benefits and opportunities for advancement
- ▶ **Increased Tax Base** – provides a revenue stream that supports infrastructure development and community services
- ▶ **Economic Diversification** – reduces a community's vulnerability to a single business sector
- ▶ **Quality of Life** – increased tax dollars and jobs raises the standard of living for everyone
- ▶ **Local Self-Sufficiency** – means public services are less dependent on intergovernmental influences and increases sustainability
- ▶ **Productive Use of Property** – the “highest and best use” of any property maximizes the value of the property

NEW MEXICO’S SWOT – A GLOBAL PERSPECTIVE

Economic development strategic plans typically begin with an asset assessment, or SWOT analysis: Strengths, Weaknesses, Opportunities, and Threats. The SWOT presented in the table below was compiled from business climate and competitiveness studies published by nationally-recognized organizations and media.

<p>STRENGTHS:</p> <ul style="list-style-type: none"> ▪ Natural resources: oil, gas, copper, uranium ▪ Widespread training availability through our community colleges and the Job Training Incentive Program ▪ Strong research and development presence and resources; three national laboratories; two “Research One” universities ▪ High percentage of PhD scientists and engineers in the workforce ▪ Three Air Force bases, White Sands Missile Range, restricted air space in Southern New Mexico and Department of Defense contracts throughout the state ▪ Low-cost labor ▪ Competitive electricity and natural gas prices 	<p>WEAKNESSES:</p> <ul style="list-style-type: none"> ▪ Educational Attainment: <ul style="list-style-type: none"> — New Mexico’s high school graduation rate is 16 points below the national average — New Mexico is ranked 39th in 8th grade science achievement, 45th in 8th grade writing ability, 47th in reading and 49th in math ▪ Poverty – New Mexico has the 3rd highest percentage of families living in poverty ▪ Weak statewide microenterprise support ▪ New Mexico is ranked 33rd nationally in the State Business Tax Climate Index, primarily due to the gross receipts tax ▪ Difficult litigation and regulatory environment ▪ New Mexico is not a right-to-work state ▪ New Mexico is ranked 7th in violent crimes per capita ▪ Infrastructure gaps throughout the state (Only 73% of New Mexicans have internet access)
<p>OPPORTUNITIES:</p> <ul style="list-style-type: none"> ▪ Natural resources: energy production ▪ New Mexico is a tourism destination ▪ Strong economic growth potential centered around abundant renewable energy resources, cost of labor and workforce training ▪ Science and technology workforce talent pool ▪ Our national labs; New Mexico is first in non-industry investment in R & D ▪ Borderplex development ▪ Santa Teresa Port of Entry ▪ Maquiladora resurgence ▪ Home-based business recruitment 	<p>THREATS:</p> <ul style="list-style-type: none"> ▪ Economic dependence on federal funding (for example: LANL has reduced its workforce by 20%) ▪ Rural population loss (40 incorporated communities lost population between 2000 and 2010) ▪ Reduced economic development resources ▪ Tax policy; New Mexico continues to drop in national business tax climate rankings ▪ New Mexico fell 13 places in a national index of “technology commercialization outputs” ▪ <i>Forbes</i> ranks New Mexico 49th in “quality of life,” educational attainment, access to health care and coverage, poverty and low wages ▪ New Mexico dropped from 40th to 49th in “globalization” over 3 years (low volume of manufacturing and service exports; and lack of foreign-direct investment) ▪ Ernst & Young ranked New Mexico as having the highest tax burden on new capital investment

OFFICE of the SECRETARY (OFS)

The Office of the Secretary holds the ultimate responsibility and accountability for the accomplishment of the agency's mission. In this capacity it oversees the implementation of an annual strategic plan and quarterly reporting of performance measures and results.

PERFORMANCE MEASURES:

- ▶ Percent of performance measure targets in the General Appropriations Act that were met – 85%
- ▶ Total number of jobs created due to economic development efforts – 2,500
 - Total number of rural jobs created – 1,100
 - Total number of urban jobs created – 1,400

THREE PRIMARY INITIATIVES OF THE OFFICE OF THE SECRETARY:

1. Small Business-Friendly Task Force

The Small Business-Friendly Task Force, signed into executive order by Governor Susana Martinez and led by Economic Development Secretary Jon Barela, submitted its report to the Governor in April. The task force report focuses on solutions for consideration by the Martinez administration. It includes a roadmap of short and long-term tactics and strategies, including the use of executive orders and legislative efforts. Because of time and resources, the task force concentrated on two areas of focus in which industries have been significantly and economically affected by rules and regulations: environment and construction.

PRIORITIES FROM THE TASK FORCE REPORT INCLUDE:

- Propose that state rules and regulations across the board be no more stringent than federal requirements.
- Prioritize rules and regulations promulgated by EDD, EMNRD and the New Mexico Department of Game and Fish that have the most impact on economic development, and recommend the best approaches to rescind or revise.
- EDD's Office of Business Advocacy would establish a web-based "whistleblower" complaint log and phone-based hotline for businesses to confidentially communicate their complaints about environmental permits or regulations. EDD's Office of Business Advocacy would administer this program and investigate complaints.

- The environment subcommittee suggests removing New Mexico from the Western Climate Initiative as a partner with California in Cap and Trade.
- The construction subcommittee recommends finding ways to combine and/or reduce the number of licenses required of the construction industry (without jeopardizing health or safety).
- The construction subcommittee requests a review of the regulatory amendment implementing the collective bargaining wage rate for prevailing wages provided for in 2009 amendments to the Public Works Minimum Wage Act, known as SB33.

2. Blue Ribbon Jobs Package

In an effort to gather information and feedback from business leaders and community members throughout the state, Secretary Barela began a 10-community Job Creation Tour on July 25th. The Secretary joined with economic development representatives from the region to discuss initiatives to create jobs for New Mexicans and to identify ways to provide employment and growth opportunities for small businesses. Information and feedback received during the Job Creation Tour will be taken into consideration for a job creation bill for the 2012 Legislative Session. The goal of this job creation bill is to make New Mexico competitive when it comes to local, national and international job recruitment, retention and expansion.





3. Office of Business Advocacy

The Office of Business Advocacy was created in January, 2011, as a direct initiative from Governor Susana Martinez and Secretary Barela.

MISSION:

The Office of Business Advocacy:

- Advances New Mexico business and enterprise with tools to expand or retain employees
- Enables business owners to break through regulatory roadblocks and red tape
- Helps to navigate state government by providing assistance with permitting, licenses, inspections, and taxation issues
- Resolves challenging bureaucratic, intergovernmental, and public policy problems adversely affecting business in New Mexico

The Office of Business Advocacy has already formed many of the key strategic partnerships needed to advance New Mexico business by resolving regulatory and public policy issues that challenge business growth.

A new web site, www.NMforBusiness.com, with an online intake form, provides easy access and a quick response time for businesses needing immediate assistance.

The primary goal of the Office of Business Advocacy is to improve the state's regulatory environment in order to optimize business growth potential statewide. This includes assisting businesses who do not have the resources to hire an attorney, accountant, or lobbyist to resolve issues with state government.

GOAL: Improve the business climate to facilitate the retention and expansion of New Mexico companies of all sizes.

Objective:

- Increase new case load and solved cases throughout the year

Performance Measures:

- Number of new business advocacy cases opened – 100
- Number of business advocacy cases solved – 30

Administrative Services Division

Performance Measure:

- Number of payment vouchers accurately processed within 72 hours of receipt – 100%

Additional Programs in the OFS

STATE DATA CENTER

The department recognizes the need for research on many levels. Data and information are essential to success in recruiting new business, assisting existing business and supporting entrepreneurs. Statutorily, EDD is designated as the Lead Agency for the State Data Center Program and maintains a Memorandum of Understanding with the Census Bureau. This agreement requires the department to disseminate current census data on the agency web site, send new census products to SDC affiliate organizations and respond to inquiries from constituents.

In FY12, the Data Center will be completely re-invented with the new EDD web site. New data products will include:

- State-to-state comparison data that will support the business recruiting program
- Community profiles
- Searchable database of available industrial and commercial buildings and land
- County profiles to compliment the community data
- Profiles of New Mexico's assets specific to the state's target industries

BUSINESS INCUBATOR PROGRAM

The purpose of the Business Incubator Program, which was created by statute during the 2005 legislative session, is to provide policy advice on microenterprise development and to make recommendations on the certification of new incubator facilities to the department. This is undertaken via an advisory committee appointed by the Cabinet Secretary.

To-date, six facilities have been certified:

- South Valley Economic Development Center (Albuquerque)
- Santa Fe Business Incubator
- WESST Enterprise Center (Downtown Albuquerque)
- San Juan College Quality Center for Business (Farmington)
- Arrowhead Technology Center at New Mexico State University (Las Cruces)
- Clovis Business Incubator

Through the EDD and the New Mexico Legislature, the Business Incubator Program has provided matching grants to communities for incubator feasibility studies, capital outlay for new and existing facilities, and grants for operating the certified incubators.

GOAL: Provide a unique contribution to New Mexico's entrepreneurial community in the form of mentoring businesses that have completed a business plan and are ready to take advantage of the vast array of technical services and on-site infrastructure (such as broadband or a commercial kitchen) to ensure their businesses profitability and sustainability.

Note: The program has no funding for FY12.



RECRUITING NEW INDUSTRY: New Mexico Economic Development Corporation (Partnership)

The Economic Development Corporation, or Partnership, is a statutorily-created 501(c)3 non-profit organization created by the New Mexico Legislature in 2003. The Partnership contracts annually with the Economic Development Department to undertake a sales and marketing program to bring new business to New Mexico from other states and countries. The Partnership is directed by a board consisting of two representatives from seven regional planning districts regions of the state, and the Cabinet Secretary of the EDD.

GOAL: To partner with the Economic Development Department and local community economic development organizations to locate new businesses to New Mexico.

Objectives:

- Develop and implement a sales program, based on sustainable target industries, to generate leads and potential projects for the state.
- Utilize quarterly meetings between the Office of the Secretary and partner communities to gather input to create and revise the sales program accordingly.

Performance Measure:

- Number of leads created through the Economic Development Partnership – 400

Objective:

- Partner with EDD programs and community organizations to successfully locate new companies to New Mexico

Performance Measures:

- Number of jobs created through business relocations facilitated by the Economic Development Partnership – 2,200
- Number of business relocations facilitated by the Economic Development Partnership – 12

Objective:

- Optimize limited resources by organizing sales missions near trade shows and clusters of target industries

Performance Measure:

- Average annual cost per job created by the Partnership – \$500



BUSINESS EXPANSION and START-UPS: Economic Development Division

The mission of the Economic Development Division is to assist local communities and businesses in retaining and creating better jobs, thriving communities and an exemplary quality of life for all New Mexicans.

DIVISION PERFORMANCE MEASURES:

- ▶ Number of jobs created through business expansions – 600
- ▶ Number of business expansions – 40
- ▶ Number of urban business expansions – 28
- ▶ Number of rural business expansions – 12

New Mexico MainStreet Program (NMMS)

Utilizing the National Trust Main Street Center's proven revitalization strategies, the MainStreet Four Point Approach®, the program is part of an economic development network of more than 37 states and 1200 communities across the country.

Created by state statute in 1978, the program was launched in 1984. The National Trust accredits and licenses the program after a successful biennial assessment. Within each of the local MainStreet districts, the local MainStreet organization (of downtown stakeholders organized as a 501c3) works in partnership with the municipality. The organization assists property owners rehabilitate buildings, address infrastructure needs and fund capital improvements, creating an environment to attract new businesses and entrepreneurs resulting in job creation. Local affiliates receive services, resources and technical assistance from the state and national programs.

Non-MainStreet communities are eligible to attend community economic development workshops and trainings provided by NMMS staff.

The program also operates the MainStreet Revolving Loan Fund, created in 2007 by state statute, partially capitalized by the USDA and, as the Legislature appropriates, the MainStreet Capital and Infrastructure Fund. It partners with the Department of Transportation, Local Government Division, Historic Preservation Division and several state Colleges and Universities.

PERFORMANCE MEASURE:

- Number of communities participating in MainStreet – 25

GOAL 1: Create jobs in MainStreet districts

Objective:

- Create an environment to attract new business and entrepreneurs

Performance Measure:

- Number of jobs created by MainStreet – 570

GOAL 2: Stimulate private sector reinvestment within MainStreet districts

Objective:

- Provide technical assistance for good design practices; implement MainStreet Façade Squads, Project Makeovers and MainStreet Curb Appeals.

Performance Measure:

- Dollars of private sector investment in MainStreet districts – \$9 million



GOAL 3: Grow new businesses in downtown areas.

Objective:

- Provide technical assistance on entrepreneur development, economic positioning, business retention & expansion, and recruitment; accessing financing tools, accessing incentives, the MainStreet revolving loan fund; and capital outlay funds.

Performance Measure:

- Number of new businesses in MainStreet districts –140

GOAL 4: Complete building rehabilitations in MainStreet districts.

Objective:

- Provide assistance to MainStreet organization's façade renderings, historic preservation treatments, accessing revolving loan fund for building rehabs, access to historic preservation tax credits, and USDA grants.

Performance Measure:

- Number of building rehabilitations completed in MainStreet Districts – 150

MainStreet's priority is always to build the capacity of its local partners. Many of the activities conducted throughout the year focus on workshops specific to fundraising and grant writing, quarterly meetings, conferences and certification training.

Arts and Cultural District Program

Created by state statute in 2007, the New Mexico Arts and Cultural District program was one of the first in the nation and a model for thirteen other states and over 100 towns nationally. By state statute the director of New Mexico MainStreet is the "coordinator" of the program. "State authorized" programs receive a professional resource team's evaluation of the strengths and weaknesses of the district, funding for an ACD cultural plan for the district and funding for an ACD Master Plan for future infrastructure and capital improvements. The program is directed toward creating district destinations to support local cultural and arts entrepreneurs by increasing cultural and heritage tourism. The interagency collaboration currently includes divisions of the Department of Cultural Affairs, the EDD, the New Mexico Tourism Department and two statewide foundations: the McCune Charitable Trust and the Museum Foundation of New Mexico. Funding for a number of local initiatives has been awarded from the McCune and Whited Foundations and the National Endowment for the Arts.



The New Mexico Arts Commission, by state statute the state "authorizing" body, requires an annual report from each authorized district's steering committee covering performance for the ACD district.

There are currently six state authorized districts; Downtown Albuquerque, Las Vegas, Los Alamos, Raton, Silver City, and Taos.

OBJECTIVES:

- Pass the Arts and Cultural District "clean up bill" during the 2012 Legislative Session.
- Add two new ACD Districts.
- Complete economic cultural plan development in all six ACD districts and have the plans implemented and funded by municipalities.
- Access funding to hire a local ACD Coordinator.
- Market and brand a statewide ACD logo.
- Establish a marketing campaign.

Financial Development Team (FDT)

The Financial Development Team facilitates the growth of new and existing businesses by acting as a catalyst through the financing tools available within New Mexico.

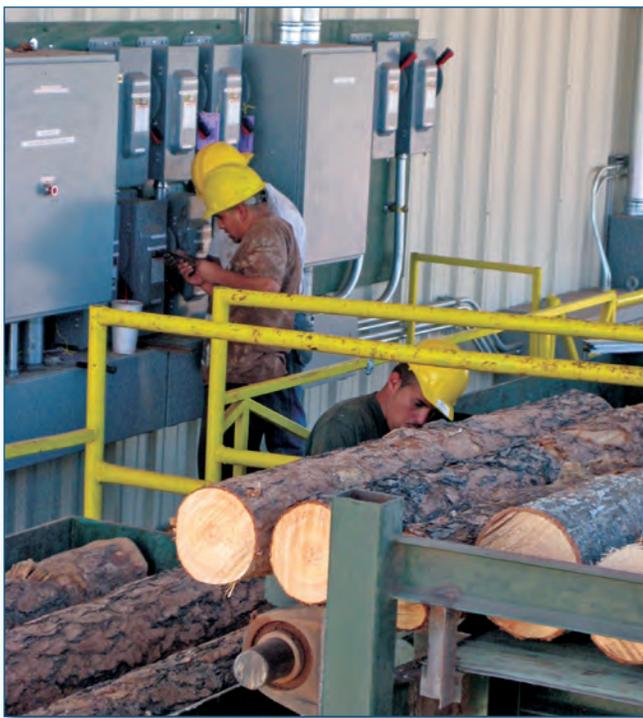
GOAL 1: Assist New Mexico communities in accessing capital outlay funding to create new jobs.

Objectives:

- Assist the Office of the Secretary and the Community, Business and Rural Development Team in allocating capital outlay funds for LEDA Projects.
- Assist communities to ensure Project Application, Project Ordinance.
- Project Participation Agreement comply with LEDA
- Assist communities with draw-down of project funds.

Performance Measure:

- Number of capital outlay projects funded – 12



GOAL 2: Prepare projects for Smart Money and Collateral Support Program (State Small Business Credit Initiative allocation).

Objectives:

- Provide outreach and support for the New Mexico Finance Authority's Smart Money and Collateral Support Program.
- Pursuant to the statewide Local Economic Development Act, make economic development determination for Smart Money and Collateral Support Program Projects.

Performance Measure:

- Number of projects prepared for Smart Money and Collateral Support Program – 20

GOAL 3: Assist in the structuring and funding of projects statewide.

Objectives:

- Provide technical assistance partnerships with the various COG's, local economic development agencies and regional organizations, to provide an extension of services not in place with a project or with the local governmental entity.
- Bring together financing tools including debt and equity financing, cash incentives and tax credits to support economic development activities that improve and support employment opportunities in New Mexico.

Performance Measure:

- Number of businesses provided technical assistance in creating a funding package request and referred to the appropriate funding agency – 5

Job Training Incentive Program (JTIP)

The mission of JTIP is to assist in the development of New Mexico's economy by providing funds to support training for new employment opportunities, as well as provide skill enhancement to residents of New Mexico.

GOAL 1: Increase company participation in JTIP.

Objective:

- Promote JTIP in every region of the state, partnering with local and regional economic development organizations.

Performance Measure:

- Number of businesses participating in JTIP – 16

Objective:

- Develop an electronic and/or streamlined proposal in order to minimize paperwork experienced by applicants.

Performance Measure:

- Average annual cost per JTIP trainee – \$2,500

GOAL 2: Increase the number of jobs funded through JTIP.

Objective:

- Develop a marketing effort to increase the awareness and use of the Step-Up Program in rural communities; targeting small, emerging, high-wage companies whenever possible.

Performance Measure:

- Number of workers trained by JTIP – 1,000

GOAL 2 (cont'd):

Objective:

- Work with other EDD programs to ensure consistency and accuracy when JTIP is offered to a new or existing business.

Performance Measure:

- Number of rural companies participating in JTIP – 8

GOAL 3: Sustain the level of quality of the jobs funded by JTIP.

Objectives:

- Encourage JTIP Board and staff to prioritize high-wage jobs.
- Identify and contact more technology-intensive companies to create high-wage career opportunities for New Mexicans.

Performance Measures:

- Average wage of jobs funded through JTIP – \$16/hour
- Percent of employees whose wages were subsidized by the job training incentive program still employed by the company after one year – 60%

Community, Business and Rural Development Team (CBRDT)

The mission of the CBRDT Team, commonly known as “regional representatives,” is to assist communities in building their capacity for development by: training local leadership, engaging diverse community stakeholders in the process of planning and implementing change in their regions, and by helping them identify strategic opportunities to advance the region’s goals for economic growth.

PERFORMANCE MEASURE: Number of communities certified through the certified communities initiative – 25

GOAL: Build local economic development programs that can be sustained through changes in the economy and political leadership.

Objective:

- Assist communities in populating community profiles and a land and building inventory on EDD’s web site to encourage more communities to respond to PROs through the Certified Community Initiative process

Performance Measure:

- Percentage of CCI communities with completed community profiles and a land and building inventory populated on EDD’s web site – 100%

Objective:

- Promote the Angel Investment Tax Credit to stimulate the growth of technology-intensive businesses in New Mexico.

Performance Measure:

- Amount of new investment as a result of the Angel Investment Tax Credit – \$10 million

Objective:

- Assist communities in assessing infrastructure needs (including fiber connectivity) and funding new infrastructure where gaps inhibit economic growth.

Objective:

- Create a template for a statewide business retention and expansion survey and work with local organizations to ensure that interviews are conducted in each region of the state and that the information collected is summarized and made available to the Governor’s office and Office of the Secretary .

Performance Measure:

- Number of counties where business retention and expansion interviews are completed – 33

Tribal Liaison Program

TRIBAL ECONOMIC DEVELOPMENT ADVISORY COUNCIL

The regional representative tasked with focusing on Native American Communities serves on the Tribal Economic Development Advisory Council (TEDAC), whose purpose is to: gather input from New Mexico’s Native Americans on existing programs and how effectively the programs serve the state’s Native American Tribes, Pueblos and Nations; and to develop new programs or resources, Enterprise Zone Incentives, tax credits and other state incentives (including film production and post-production), that revolve around mutual credits tied to taxable activities such as gross receipts.



SUMMARY

The Tribal Economic Development Task Force, with additional recommendations by TEDAC, has made progress in expanding economic development opportunities for the Native American Tribes, Pueblos and Nations of New Mexico. The challenges of economic development for Tribes within their territorial boundaries are many. The continuation of the Economic Development Tribal Advisory Council in partnership with the Tribes, Pueblos and Nations is a much-needed means of addressing the barriers to and opportunities for economic development in tribal communities.

GOAL 1: Identify and prepare Tribal communities in accessing the Tribal Infrastructure Fund (TIF) to create new jobs with Tribes inside or outside the reservation.

Objectives:

- Assist the Office of Indian Affairs in allocating the Tribal Infrastructure Fund for economic development projects.
- Assist communities with project applications.

Performance Measure:

- The number of Tribal infrastructure and economic development projects to be funded will be determined by the TIF Board.

GOAL 2: Renew the Executive Order establishing the Tribal Economic Development Advisory Council to continue the process for the next two years.

Objective:

- Gather input from Tribes on existing programs and how effectively they serve the Tribes, Pueblos and Nations.

Performance Measure:

- Work with TEDAC to develop a common set of programs to serve Tribes, Pueblos and Nations.

GOAL 3: Conduct a survey in partnership with tribal governments that evaluates what type of businesses currently invest on Indian lands.

Objective:

- Develop a job creation overview of the economy in each diverse tribal community.

Performance Measure:

- Prepare and disseminate a report on the types of businesses, number of employees, breakdown of employee by affiliation (tribal/non-tribe/other), total payroll (government, Tribal enterprises), purchasing, and benefits paid to all employees.

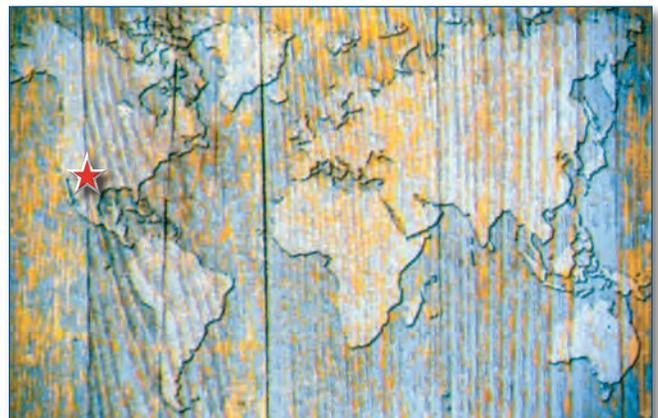
OFFICE OF INTERNATIONAL TRADE (OIT)

The Office of International Trade promotes and facilitates the export sales of New Mexico goods and services worldwide and supports efforts to recruit foreign direct investment to New Mexico in order to assist the process of job creation, retention, and expansion throughout the state.

Securing an FY12 U.S. SBA STEP Grant (\$120,000 federal and \$15,000 state match) will enable the department to provide training and support for four foreign trade missions. The objective of executing the grant would be to organize, coordinate and recruit companies for participation in international trade missions, trade shows and other trade events designed to gain exposure to new clients and establish effective product distribution networks overseas.

OIT will also host workshops focused on the mechanics of doing business internationally including marketing, export finance and

letters of credit, export shipping and logistics, export licensing, and managing cultural differences. OIT provides individual, one-on-one export consultation to small and medium-size enterprises seeking to launch their products internationally or to diversify and expand their global reach.



GOAL: Increase New-to-Export Companies and help existing exporters enter new export markets.

Objective:

Conduct trade and investment missions to include the following (dependent on receipt of federal grant funding):

- 1) ABC Trade Mission to Argentina, Brazil and Chile
- 2) Foreign Trade and Investment Mission to Germany
- 3) Trade Investment Mission to China and Hong Kong
- 4) Governor's Trade and Investment Mission to Taiwan (paid for by Taiwan government)
- 5) Southeast Asia Trade Mission to Singapore, Malaysia and Indonesia

Performance Measures:

- New-to-Export (NTE) clients identified and assisted – 10
- Existing exporters assisted in entering new markets – 10
- Number of ISO trained businesses – 10

OIT will also stand up a full-time, statewide International Trade Council made up of private industry, small business, economic development partners, federal government, and state and local government entities. With the International Trade Council's assistance and expertise, EDD will produce the first statewide International Trade and Export Strategy.

NEW MEXICO FILM OFFICE (NMFO)



THE NEW MEXICO FILM OFFICE WILL FOCUS ON FIVE CATEGORIES IN FY12 TO CONTINUE AND STRENGTHEN THE DIVISION'S MISSION:

1. **Economic Impact:** Effectiveness of the refundable film production tax credit
2. **New Mexico Filmmakers Program:** Offer additional support and resources for local filmmakers.
3. **Statewide Film Liaison Network:** Enhance our network of statewide film liaisons to encourage filmmaking in rural areas.
4. **Workforce Development:** Expand training and job opportunities for New Mexico crews through the Job Training Incentive Program for Film & Multimedia.
5. **Film Tourism:** Analyze and promote film tourism.

Although still a top contender, New Mexico has seen increasing competition in 42 other states. Statistics have shown a slow decline in the past three years, dropping from \$274.5M in direct spending in FY 2008, to \$204M in FY 2010.



1. Economic Impact:

GOAL 1: Attract production companies to the state and increase the number of projects filming in New Mexico.

Objective:

- Meet with studios, major independent production companies and local stages/vendors to review New Mexico's refundable film production tax credit program.

Performance Measure:

- Number of major film productions made in New Mexico (over \$1 million) – 17

2. New Mexico Filmmakers Program

GOAL 1: Strengthen New Mexico's local talent base and continue to facilitate outreach to diverse filmmakers and educators in rural New Mexico.

Objectives:

- Continue to train and support New Mexico filmmakers through filmmaking competitions, showcases, conferences, networking opportunities and other events that attract and encourage film and digital media students to create New Mexico-based media. These events may include: "New Visions/New Mexico" contract awards applications, "New Mexico Filmmakers Showcase", "Native/Hispanic Summer Tour" and a conference on digital media and multi-platform marketing/distribution.
- Continue to organize, support and promote under-represented New Mexico filmmakers through

showcases, training programs, networking opportunities and other events. Cultural outreach events may include "Black History Month" (February), "American Indian Heritage Month" (November), "On the Border" series in Southern New Mexico, "Hispanic Heritage Month" (September), in addition to a collaborative event with "Milagro at Los Luceros" on Native Writing Programs and other above-the-line training.

- Continue supporting New Mexico schools and educational programs so that students can develop film and media careers in New Mexico after graduation through alliances and guest speaking events in collaboration with local colleges, high schools and charter schools. In addition, meet with the new Cabinet Secretaries at the New Mexico Public Education Department and the New Mexico Department of Cultural Affairs to discuss collaborations. Re-connect with HED, Tourism Department and New Mexico Music Commission to plan more co-sponsored events.

Performance Measure:

- Number of media industry worker days – 150,000

GOAL 2: Develop new programs and funding opportunities that provide additional support and resources for local filmmakers.

Objective:

- Create new and develop existing collaborations and partnerships with the private sector of our industry so that the local filmmakers' programs are not as dependent on the state coffers.

Performance Measure:

- Number of film and media projects principally photographed in New Mexico – 60

3. Statewide Film Liaison Network

GOAL 1: Continue to prepare New Mexican communities for production inquiries and activities.

Objectives:

- Strengthen the relationships with those currently in the network.
- Increase the number of state film liaisons in rural areas of New Mexico by outreach to chambers and other local government and tribal entities.
- Provide more training and resources for all liaisons such as additional location photographs workshops, outreach to local vendors, and meetings with film program educators.

Performance Measure:

- Economic Impact of media industry productions in New Mexico – \$240 million

4. Workforce Development

GOAL 1: Increase the number of applications and approved contracts for New Mexico crew workshops and lectures through the Pre-employment Training Program (PETP). PETP is available through JTIP and provides reimbursement funds to qualified contractors who facilitate short-term, intensive workshops and lectures relating to specific skill sets of below-the-line film and television craft departments.

GOAL 2: Streamline administration process ensuring the continuance of program compliance and accurate reporting.

Objective:

- Increase marketing of the program to crew and contractors and increase the number of registrants attending approved workshops and lectures.

Performance Measures:

- Number of workshops to train film crew technicians to serve the industry – 6
- Average number of participants per training event – 15

GOAL 3: Market the Film Crew Advancement Program (FCAP). FCAP is an on-the-job training program available through JTIP intended for New Mexicans who are interested in adding a new

skill set or who are ready to move to a higher position within their craft department. This program serves as an incentive for participating companies to provide more job opportunities for New Mexico film and television crew professionals.

Objective:

- Increase awareness of program and recent amendments to local crew, New Mexico film technician students, and production companies.

Performance Measures:

- Number of production companies participating in the Film Crew Advancement Program – 8
- Average number of participating trainees per company – 8

5. Film Tourism

GOAL: Create film tourism maps for the public to download on nmfilm.com and collaborate with New Mexico Tourism Department for additional support and promotion.

Objective:

- Increase film tourism by educating the public about the history of films shot in New Mexico (filmography) and include films that incorporate New Mexico in the storyline with little to no cost to the state.

Performance Measure:

- Develop a measurement to determine the economic impact of film tourism on local businesses to determine the benefits of the industry.





 **NEW MEXICO**
ECONOMIC DEVELOPMENT DEPARTMENT

1100 St. Francis Drive Santa Fe, NM 87505-4147 505.827.0300
www.goNM.biz

photo: New Mexico Hwy. 21