

**ACTION PLAN**

Submitted by agency? No  
Timeline assigned? No  
Responsibility assigned? No

**Economic Development Department**

New Mexico’s total nonagricultural employment grew by 19,600 jobs, or 2.3 percent, between September 2017 and September 2018. Most of the aggregate gains came from the private sector, which was up 18,600 jobs, or 2.9 percent. The public sector was up 1,000 jobs, or 0.5 percent.

**Economic Development**

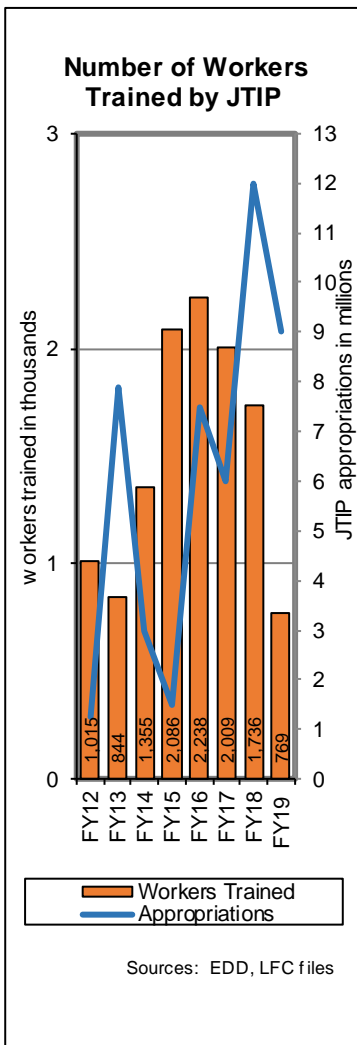
The Economic Development Division awarded five companies \$4.5 million in LEDA funds in the first quarter of 2019 and created 1,025 jobs. All of the companies were in urban areas, with zero awards in rural communities. These companies include TaskUs LLC, Advanced Network Management, Resilient Solutions 21, Indica Labs, and Kevothermal. The funds matched for these LEDA projects totaled \$28 million, contributing to a 6 to 1 ratio of private sector dollars invested per dollar of LEDA funds awarded. EDD’s created 86 rural jobs in the first quarter.

Legislators appropriated \$83 million over the last five years for the LEDA fund, including a \$5 million special appropriation during the 2018 legislative session. As of September 2018, EDD reported \$20 million in other state funds and severance tax bonds is unspent.

Overall, \$6.2 million in private sector reinvestment in MainStreet was reported for the first quarter. Ten MainStreet organizations (Alamogordo, Albuquerque-Downtown, Albuquerque-Nob Hill, Deming, Grants, Lovington, Raton, Ruidoso, South Valley, and Tucumcari) brought in a combined \$115 thousand in private sector grant dollars to their districts in the first quarter. The Barelás District in Albuquerque reported \$1 million in public sector reinvestment resulted in the rehabilitation of three buildings, and the creation of 18 net new jobs. Farmington reported \$365 thousand in private sector reinvestment that led to three building rehabilitations, two new business openings, and the creation of four net new jobs. Seven new businesses opened within the Los Alamos MainStreet District, resulting in the creation of 95 net new jobs for the community. Grants MainStreet reported \$132 thousand in private sector reinvestment that led to the opening of six new businesses, and ten net new jobs.

**Budget:** \$8,798.7 **FTE:** 25

Measure	FY17 Actual	FY18 Actual	FY19 Target	Q1	Rating
Jobs created due to economic development department efforts	1,729	3,994	4,500	1,025	<span style="background-color: green; color: white; border-radius: 50%; padding: 2px;">G</span>
Rural jobs created	775	2,414	1,500	86	<span style="background-color: yellow; border-radius: 50%; padding: 2px;">Y</span>
Jobs created through business relocations and competitive expansions facilitated by the economic development partnership	115	1,415	2,250	0	<span style="background-color: red; color: white; border-radius: 50%; padding: 2px;">R</span>
Potential recruitment opportunities generated by the New Mexico Partnership marketing and sales activities	63	52	84	14	<span style="background-color: yellow; border-radius: 50%; padding: 2px;">Y</span>



Private sector investment in mainstreet districts, in millions	\$28	\$53.9	\$11	\$6.2	<b>G</b>
Private sector dollars leveraged by each dollar through Local Economic Development Act	21:1	36:1	15:1	6:1	<b>G</b>
Jobs created through the use of Local Economic Development Act funds	543	2,613	2,200	873	<b>G</b>
Workers trained by Job Training Incentive Program	2,009	1,736	2,050	769	<b>G</b>
<b>Program Rating</b>					<b>Y</b>

The Job Training Incentive Program (JTIP) board approved twenty-four businesses in the first quarter, 12 of which were homegrown in New Mexico, with a total of \$5.8 million in awards. During the first quarter, 601 new jobs were approved at an average wage of \$17.56. Of the 601 new jobs, 418 jobs were for eight companies in rural areas including Sunland Park, Roswell, Los Lunas, Navajo Nation, Deming, Belen, Clovis and Farmington, at an average wage of \$13.80 per hour.

The Legislature increased recurring appropriations for JTIP in the FY19 session by \$2 million, totaling \$4 million in recurring operating budget. JTIP funds over the past five years, including FY19 recurring appropriation of \$4 million and \$5 million special appropriation, total \$39 million. As of October 2018, EDD reported \$3.9 million in JTIP funds were available.

### New Mexico Film Office

The New Mexico Film Office continues to focus on three main initiatives: recruitment, workforce development, and statewide industry outreach. Both performance measures for the New Mexico Film office are on trend to reach the target for FY19. Direct spending by the film industry reached \$112 million for the first quarter, and the number of worker days reached \$96.5 thousand.

LFC analysis on the film tax credit indicates that as of June 2018, there is \$120 million in backlog that has not been paid to film companies. The NM Film Office does not track expenses by fiscal year, relying solely on the Taxation and Revenue Department to keep track of these liabilities.

**Budget:** \$747.1 **FTE:** 8

Measure	FY17 Actual	FY18 Actual	FY19 Target	Q1	Rating
Direct spending by film industry productions, in millions	\$505	\$234	\$330	\$112	<b>G</b>
Film and media worker days	448,304	259,961	300,000	96,543	<b>G</b>
<b>Program Rating</b>					<b>G</b>