"Create New Mexico"

American Rescue Plan Act Build Back Better Regional Challenge Phase II Overarching Narrative: ARPA-BBBRC-P2-647 Funding Opportunity Number: EDA-HDQ-ARPBBB-2021-2006976

Synopsis: Create New Mexico is a statewide Coalition of economic development agencies; tribally owned and operated entities; government departments; non-profit venture accelerators and loan providers; and higher education institutions—all collaborating toward a shared vision of transforming New Mexico's heritage of cultural and technological innovation into a future of global leadership in the creative technology industries, growing 10,000 new high-wage jobs by 2030 and empowering rural and tribal communities to drive their own economic growth.

COVID-19 has staggered New Mexico, shrinking its economy more than the national decline, with the number of small businesses decreasing by 39.9%. Indigenous communities in New Mexico also suffered disproportionate effects, with outsized infection and mortality rates. But the creative technology sector has been a bright spot: diversifying New Mexico's economy with significant private sector momentum and fulfilling skyrocketing global market demand.

Create New Mexico is seeking Phase II funding to tap into this momentum and broaden its effects from urban centers to rural and historically excluded communities. This effort will help New Mexico prevent, withstand, and quickly recover from shocks by scaling the region's burgeoning creative economy innovation ecosystem. Funding would allow Create New Mexico to develop A.) steady-state workforce development/entrepreneurial scaling programs—including construction—to fulfill private sector demand for specialized training in STEM fields; and B.) responsive information networks to boost private sector investment, bridge urban-rural divides, and foster equitable opportunities for historically underserved populations across New Mexico, including former and current coal communities.

The creative technology sector is the "full stack" of the creative economy and the technology that powers it, which according to The Policy Circle contributes "just over 6.1% to global GDP." Even accounting for losses suffered during COVID-19, creative technology is still responsible for \$2.25 trillion annual revenue and 30 million jobs—with almost half of those jobs held by women and an employment rate for ages 15-29 stronger than any other sector.

Exponentially growing industries in the creative economy include film/TV and gaming, data visualization, 3D manufacturing, and AR/VR/metaverse technologies that power distance learning and digital healthcare. Not only do these industries export immersive storytelling products—Organisation for Economic Co-operation and Development (OECD) research shows that digital media consumption was actually the highest household consumption growth category during the pandemic, and the technological innovations of these industries have cross-sector potential, promote economic diversification according to research from UNCTAD, and unlocking new high-wage career opportunities through transferable, in-demand skills.

New Mexico has a long history of public and private investment in the creative economy (including 25-35% refundable tax credits for film/TV productions, video games, content-based mobile apps, virtual reality, visual effects, and standalone post-production) as well as credits to incentivize employment opportunities for New Mexicans in technical roles. This investment positions the state for sustainable success in a sector growing to 10% of global GDP before 2030 according to UNESCO research. The creative economy already supplies one in 10 jobs in New Mexico, which surpasses both the manufacturing and construction industries. These jobs pay \$1.37 billion in wages and salaries, which according to the New Mexico Department of Cultural Affairs is "roughly equal to the total paid by the state's mining industry."

Coalition Members and Component Projects with Outcomes and Timelines

Coalition Member and Subawardees	Projects	Contribution to Overall Success	Metrics of Success by 2026	Timeline
CHAMBER OF COMMERCE JOIN. CONNECT. THRIVE. Subawardees: New Mexico State Library Santa Fe Indian School	Centralized platform for Create New Mexico networking and report; government procurement scaffolding program for 8A contracts; statewide digital equity and IT job training initiatives in rural libraries, Navajo Nation chapter houses, and pueblos	Workforce development, entrepreneurial empowerment, and digital literacy	804 new high wage jobs, 49 new scalable companies launched	Central platform launched by end of 2022; all programs launched by 2023; metrics of success achieved by 2026
THE UNIVERSITY OF NEW MEXICO. Subawardees: • Cultivating Coders • R4 Creating	Network for career and entrepreneurship onramps for young adults and career transitioning adults in rural areas, including coding and robotics/3D manufacturing bootcamps that lead directly to credentials and job opportunities	Workforce development, entrepreneurial empowerment, transferable tech skills	6 new regional emergent technology offices, 360 new high wage jobs for program participants,	All regional offices launched by 2026; online community platform launched by 2024
ARROWHEAD CENTER* Energy Program for Innovation Clusters No subawardees	Construction of Southern New Mexico Creative Technology Hub on New Mexico State University Campus; featuring 20,000ft traditional soundstage, 7,000ft virtual production stage, 1,200ft audio recording studio, STEM labs/ classrooms	Significantly expands southern New Mexico's footprint in the creative economy, meets demand from private partners to lease studio space	1150 new jobs (including 250 construction jobs), \$1.5m a year in revenue from leasing	Construction completed April 2025, established revenue plan for profitability through public/private agreements by 2026

Coalition Member and Subawardees	Projects	Contribution to Overall Success	Metrics of Success by 2026	Timeline
creative startups Subawardees: Vital Spaces Success Through Technology Education (STTE) Foundation	The nation's first creative tech startup studio designed for creative entrepreneurs and new initiatives for technology commercialization and education for creative entrepreneurs from historically underserved communities	Scale existing creative entrepreneurial efforts in New Mexico and boost high-growth, venture-backed BIPOC and locally owned creative tech companies.	entrepreneurs trained, 12 high-growth companies launched w/ \$5 billion market valuation, 2,500 high- wage jobs.	All programs launched by 2026, 8+ new investment firms invest \$50 million+ in NM by 2026
Subawardees: Doña Ana Community College Creative Media Institute at New Mexico State University	First—in-the-country bilingual film set training program, a digital media education upskilling program for secondary school instructors, and industry responsive bootcamps for transferable skills	Workforce development, entrepreneurial empowerment, transferable tech skills	800 enrollments, 680 new high wage jobs	All programs launched by 2024
INSTITUTE of AMERICAN INDIAN ARTS Subawardees: • Stagecoach Foundation	New BFA in Game Design and Coding for immersive Indigenous storytelling; bootcamps for post-production	Workforce development, entrepreneurial empowerment, transferable tech skills	360 enrollments, 80 - 100 new jobs from bootcamps	BFA program launched by 2024, bootcamps launched in 2024
DreamSpring No subawardees	Creative technology seed fund with targeted outreach to historically underserved populations and curriculum development for financial literacy	Targeted funding and financial education for historically underserved populations	businesses served with financing,16 virtual education sessions, \$3,000,000 capital deployment, 310 jobs	All programs launched by 2024

Coalition Member and Subawardees	Projects	Contribution to Overall Success	Metrics of Success by 2026	Timeline
NEW MEXICO TECH SCIENCE - ENGINEERING - RESEARCH UNIVERSITY No subawardees	Virtual platform for resources, collaboration, and information around intellectual property and technology commercialization	Technology commercializati on and intellectual property retention to scale entrepreneurial growth	48 learning events, 50 tech commercializ ation campaigns	Platform launched by 2024

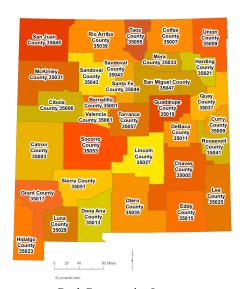
Alignment With Regional CEDs: Creative economy industries are a cornerstone of the New Mexico Economic Development Department (EDD)'s Empower and Collaborate strategy for 2030. For more details, see the letter of support from the New Mexico EDD, who are cementing their commitment by pledging the entirety of the Create New Mexico 20% Phase II Match.

Additionally, CEDS across New Mexico and in the larger Borderplex region all strongly agree on the regional potential of the creative technology cluster for workforce development and entrepreneurial activity. See individual Economic Development District letters of support for more details.

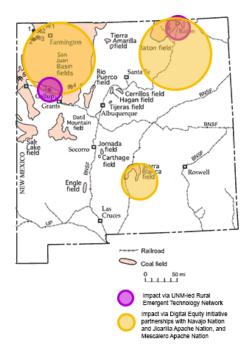
Description of Geographical Region(s) Served: New Mexico is a minority majority state (49% Hispanic/Latinx, 11% Native, 63% BIPOC), with 33% of the population living in rural areas, the third worst poverty rate in the nation at 18.6% (exacerbated by the pandemic), and a significant "brain drain" (42,000 more people exited the state than entered it 2011-2016, the majority of that loss occurring among highly educated youth and in rural areas). Create New Mexico will serve 100% of counties with concentration on rural and former/current coal counties. Projects will bring new high-wage jobs and entrepreneurial development to plug this drain, allowing people to stay in their home communities and grow companies with remote STEM, film/TV, IT development, and other creative

We've also engaged leaders from county, city, and tribal governments to firmly integrate Coalition efforts with local stakeholders. These leaders will assist in synchronizing efforts with existing assets, including a bilingual workforce (30% of New Mexicans speak

technology work.



Coal Community Impact



Designed based on data from Coalition member New Mexico Tech's New Mexico Bureau of Geology & Mineral Resources

Spanish), transportation infrastructure (the I-25/I-40 connection provides a direct route to the Port of Los Angeles and the Albuquerque Sunport provides international air transit), and Coalition partners at federal R&D labs (see letters of support from Los Alamos National Laboratories and Sandia Labs). Finally, New Mexico is home to authentic and unique legacies of art, cuisine, and cultural traditions—all of which have significant potential as intellectual property, drivers of creative entrepreneurship, and private sector growth.

Private Sector Engagement: The Coalition has support commitments from both large creative economy and technology industry leaders who have invested over \$2 billion into the future of New Mexico's creative economy—including Netflix, Apple, Microsoft, NBCUniversal/Telemundo, PRG, and Warner Media—as well as New Mexican leaders in globally recognized creative technology startup success, research, and venture funding, including: PNM, Los Alamos National Labs, Sandia Labs, Meow Wolf, and Sun Mountain Capital, among others. See "Overview of Commitment and Support Letters" for all 28 private sector partners.

Regional Growth Cluster Sustainability: Market demand for creative content services and products is outgrowing every economic sector in the United States except for healthcare. Deloitte also projects global creative economy employment will double by 2032. This meteoric growth represents an urgent opportunity: the time is now for New Mexico to capitalize on its existing momentum and emerge as a global leader in this sector. Our plan for ensuring the sustainability of this cluster in the years beyond ARPA funding includes 4 key pillars:

- 1. Investment in creative entrepreneurs: New Mexico has already seen proven success from programs like Coalition member Creative Startups, with Creative Startups alumni Meow Wolf generating 600+ local jobs. Empowering local creative entrepreneurs bolsters local economies, as locally owned businesses establish economic base jobs and recycle outside investment back into the communities they are from.
- 2. Sustained growth of the regional film/digital media/gaming industry: New Mexico has seen ample success in attracting major film and digital media industry employers to complement homegrown entrepreneurial success. The existing investment in infrastructure from these employers ensures the sustained growth of the creative technology sector. See support letters from NBCUniversal/Telemundo, Netflix, PRG, Ganymede Games, and Pure Imagination for further evidence.
- 3. Ongoing collaboration and communication between major industry employers and Create New Mexico education efforts: As part of the Create New Mexico Council project, we have begun regularly convening meetings to build community between major creative tech industry employers and workforce development efforts. Strong community ties are blossoming between educators and employers, with the Council maintaining an open channel where industry employers can communicate urgent needs and educators can adapt programming to meet those needs, fostering sustainable career pathways for local populations.
- **4. Holistic creative technology ecosystem leadership:** Create New Mexico's multifaceted approach of enabling both new career pathways and creative entrepreneurs fosters a healthy ecosystem in a sector that rewards innovation and transferable skills. For example, a Native American graduate of IAIA's proposed new BFA program in digital Indigenous storytelling might combine that foundational knowledge with the immediate skills taught by a union-certified professional in a New Mexico Film Office bootcamp.

This could lead to employment as an animator at a local production studio supported by a major employer such as Netflix, Warner Media, or NBCUniversal/Telemundo—who has established a more direct presence in New Mexico because of the Arrowhead Center Southern New Mexico Creative Hub. While pursuing this career, this animator might develop software to create a faster rendering process that is relevant across industries and pivot to entrepreneurship,

taking a Creative Startups startup studio to establish a new business, capitalizing on their intellectual property with guidance from New Mexico Tech's Cultivating the Creative Entrepreneur Pipeline, and using loan funding from DreamSpring to open their own studio. This would generate even more local jobs and local community investment.

Finally, this Indigenous animation entrepreneur might be motivated to empower their own community by teaching their new software in their hometown as part of the UNM Rural Emergent Technology Network mentorship program or the AHCC Digital Equity Initiative. Their mentorship of a young animator would then ignite the continuation of this healthy cycle. By equipping people with transferable skills and laying the foundation of a creative technology ecosystem, these initiatives sustain themselves by staying flexible enough to accommodate the inevitable innovations of creative technologists.

Create New Mexico has also worked with each of our Coalition members to develop sustainability plans for their individual projects, ensuring that all responsive funding will contribute to dedicated strategies for transitioning projects to ongoing, steady-state efforts that integrate with local communities and other development initiatives.

Detailed Plan for Engaging Specific Organizations: Create New Mexico is directly engaged with significant local unions, including IATSE Local 480 through the New Mexico State Film Office and IATSE 600 and IATSE 700 through Stagecoach Foundation. Additionally, all component projects have interfaced closely with community organizations to ensure local benefits, especially with tribal governments in the Navajo Nations, the Jicarilla Apache Nations, and the Mescalero Apache Nations. This engagement has led to increased wraparound support for travel and childcare for program participants, improving local participation. Regarding wage and labor agreements, the average salary in the Creative Economy is \$64,538, and Coalition projects will ensure that all job opportunities advertised and proliferated meet this wage standard.

Detailed Plan on Engaging Equitably: With a complex history of colonization and continued segregation along racial, class, and geographic lines, New Mexico grapples with what Dr. Virginia Necochea—author of "RACIAL JUSTICE IN NEW MEXICO: A Call to Action for Foundations and Philanthropy" (published by the McCune Charitable Foundation)— calls a "legacy of inherited poverty and enduring inequities across social institutions" with "high rankings in poverty and crime and ... low rankings in child well-being." Furthermore, the COVID-19 pandemic has exacerbated this pernicious poverty, with New Mexico Voices for Children reporting that "52 percent of New Mexico adults living with children said they had lost income [during the pandemic]." These losses have lowered New Mexico to last in the nation in child well-being.

However, New Mexico also has a strong legacy of what Necochea categorizes as "resistance and resilience driven by courageous leaders, activists, organizers, and community members." Create New Mexico is strongly committed to aligning with this legacy of resilience, featuring leadership befitting New Mexico's diversity: 7 of 8 projects are led by BIPOC and women. These leaders are dedicated to empowering the economic potential of the creative technology sector for Native Americans, BIPOC, and women, and these projects represent a once-in-a-generation opportunity to translate cultural heritage to economic opportunity and advance equitable projects that directly benefit historically impoverished communities. Our equity plan has been developed in consultation with all our Coalition members (see Coalition member letters of support) and reflect collaborative research into contemporary best practices for equity-minded economic development. Our equity outreach strategies and principles include:

• **Diverse leadership**: Coalition members have begun inviting leaders for all our projects—including keynote speakers and teaching faculty for classes, bootcamps, accelerators, and symposia—that accurately reflect New Mexico's diverse population and specifically empower

trusted leaders from historically marginalized communities, who will be key stakeholders in authentic outreach efforts. For example, 87% of our Council leaders are BIPOC and 47% are women, 68% of speakers at the Creative Startups Investor Summit are BIPOC and/or women, and the board of the Albuquerque Hispano Chamber of Commerce Foundation is 80% BIPOC.

- Leveraging existing relationships: Coalition members have a history of strong relationships with equity and community organizations throughout New Mexico. Create New Mexico's lead member, the Albuquerque Hispano Chamber of Commerce Foundation has a board has longstanding relationships with Native American entities such as the Navajo Nation, All Indian Pueblo Council, individual tribes, and the American Indian Chamber of Commerce.
- Language diversity: 35% of New Mexicans speak a language other than English. We have already published webinars in Spanish and are working to ensure that all project materials are available in languages relevant to historically underserved communities, including Native languages.
- Equity training: All of our Coalition members have committed to ensuring equity training is a key facet of each project, focusing on equity issues relevant to that project's industry and contextualizing all equity training through an intersectional lens that incorporates New Mexico's specific histories. This training will improve outreach through its demonstration of understanding the historic challenges marginalized communities have faced in attempts to participate in the creative economy.
- Meeting people where they live: All of our Coalition members have committed to ensuring the mobility of their various projects to reach remote and rural populations, including populations in former/current coal communities. Our letters of support demonstrate our work to collaborate with local government leaders to overcome infrastructure challenges and ensure sustainable empowerment.

Finally, Create New Mexico recognizes that any equity plan must be a living document that always remains open to intersectional consultation with marginalized communities. Just as we are committed to elevating historically underserved New Mexican populations to roles of leadership in the global creative technology economy, we are committed to deferring to these populations on questions of equity and remaining flexible to redressing our plan to meet community concerns.

Expected Outcomes

Activity	Outputs	Outcomes by 2026
Workforce development	Tribal IT Workforce, Digital Development Through STEAM, Cultivating Coders programs, R4 Creating programs, New Mexico Film Office Bilingual Film Set Training and Immersive Bootcamps	5904 new jobs (projected to grow to 10,322 jobs by 2030) with 23.6 percent wage growth

Activity	Outputs	Outcomes by 2026
Entrepreneurial development	CreateTech Ventures, Cultivating the Creative Entrepreneur Pipeline, Southern New Mexico Creative Hub user groups, DreamSpring Financial Literacy and Loan programs	4% GDP growth, more diversified economy, 7% increased global exports
Private investment	CreateTech Ventures, Southern New Mexico Creative Hub leasing, private sponsorships of all programs, particularly firm partnerships with coding and robotics bootcamps, global studio investments into New Mexico Film Office	\$60 million of private investment
Education and training for transferrable skills	Navajo Nation, Pueblo, Apache Digital Literacy Training, Public Library Creative Technology Hubs, Mobile Digital Innovations Lab, RETN Experiences, and Mentorship programs, NGMA "Teach the Teachers" program	2100 new certifications and survey responses showing increased digital literacy across program participants in key STEM areas (including film/TV skills, web development, digital animation/media, AR/VR, advanced manufacturing)

Overview of Work Conducted To Date (Toward Completion of Phase I Concept Proposal Deliverables)

- The Albuquerque Hispano Chamber of Commerce (AHCC) completed the application for Phase II ARPA BBBRC Full Application and hosted 2 Create New Mexico Council meetings. Council leaders are 87% BIPOC, Native American, and/or women.
- The AHCC completed a comprehensive study of broadband expansion needs in rural and Native American communities, analyzing data provided by NM DoIT (New Mexico Department of Information Technology), BroadbandNow—an online database of FCC and internet service provider datasets—and the Middle Rio Grande Jemez-Zia consortia. The study found that as much as 20 percent of New Mexico does not have access to broadband and 18 percent of those lacking access are within the Navajo Nation, Pueblos and tribal lands. To help solve the digital divide for this population, two tribally-owned fiber networks were built in the last four years with the help of federal E-rate funds: the Middle Rio Grande and Jemez-Zia Consortia connect tribal libraries in the Pueblos of Santa Ana, San Felipe, Santo Domingo, Cochiti, Jemez, and Zia. Broadband services from these fiber networks, however, have yet to reach the majority of the Pueblos' residences due to the cost of extending fiber to low density populations.

The AHCC concluded that the best way to pursue the study's recommendation of providing

- technical support to rural broadband companies and communities—within the scope of allowed BBBRC funding—was through the creation of tribal fiber optic technician training programs (in collaboration with the Santa Fe Indian School) to increase workforce capacity for supporting broadband expansion. This project is part of the AHCC's Digital Equity Initiative in Phase II.
- DreamSpring has issued 25 loans to minority businesses (80% to women and/or minorities) and hosted 4 webinars or trainings, in collaboration with Coalition members, for 120+ target entrepreneurs.
- New Mexico Tech has identified 2-3 tech commercialization campaign areas and identified 4-5 key partners (including fellow Coalition members UNM and Creative Startups) to engage in pipeline development.
- IAIA has developed curriculum for a Spring 2022 class, "Indigenizing Media," in which 15 students will create and share short visual pieces that reflect how Indigenizing media revitalizes communities through values of land, language, and relationships.
- UNM has begun contacting community leaders and arranging visits for feasibility study of rural outreach, in addition to fully developing the rural hub/spoke concept into the new Rural Emergent Technology Network (RETN) Phase II project.
- Stagecoach Foundation has scheduled 8 training intensives for the calendar year of 2022 with partners IATSE 480, ICG 600, PRG & Panavision, NM. 4 IATSE training components were approved by the union in partnering to provide intensives in Sound, Locations Scouting, Rigging, and Grip & Electric. Proposed locations are La Madera, Int'l District of ABQ, Farmington, Las Cruces.
- The City of Santa Fe has engaged a contractor (Wilson and Co.) to conduct the Feasibility Study for a mixed-use entrepreneurial hub in Santa Fe.
- Creative Startups has signed a contract with BIPOC-led subawardee (Vital Spaces) to ensure diverse applicants to venture studio programs. Creative Startups has also opened applications for bootcamp #1 and begun marketing. The Creative Tech Investor Summit will take place March 25th-27th 2022 with 12 active creative tech investors and 27 creative tech companies. Of those 27, 23 are women and/or BIPOC led.

Create New Mexico Evolution Between Phase I and Phase II Proposals: Create New Mexico has evolved significantly between Phase I and Phase II, notably to expand into a true statewide Coalition. We have accomplished this expansion through several key initiatives:

1. New State funding for Coalition member New Mexico Film Office's Next Generation Media Academy: The 2022 New Mexico State Legislature and Governor Lujan Grisham have appropriated \$40 million dollars to establish and operate the New Mexico Film Office's Next Generation Media Academy (NGMA), a statewide collaboration to provide cohesive, cutting-edge, and industry-driven standardized training for New Mexico's film/gaming/digital media workforce. This workforce and the state's strong commitment has already paid dividends: the film, television, gaming, and digital media industry employs 9,000 New Mexicans, and a 2021 New Mexico Film Office impact study indicated the industry generated \$1.37 billion in economic output from FY20-21. This new NGMA funding allowed the state to provide the entirety of the Create New Mexico Phase II match and allowed Create New Mexico to bring the New Mexico Film Office onboard as a Coalition member to establish a creative workforce development initiative and expand the NGMA's impact beyond film to other growing creative economy sectors.

- 2. **Increased outreach to tribal and rural institutions:** Preliminary feasibility studies showed the need for strong partners with rooted in rural and tribal areas, which is why Create New Mexico invited the State Library and the Santa Fe Indian School to join the Coalition as subawardees, proliferating our reach and focusing our impact via these institutions' existing ties into and insight driven by stakeholder communication on the needs of rural and tribal communities.
- 3. New construction identified in Las Cruces: Create New Mexico invited Arrowhead Center Inc. as a Coalition member to propose construction of the Southern New Mexico Creative Tech Hub, after consultation with Coalition partners and leaders—particularly the New Mexico Film Office and their industry partners—identified the need to fortify burgeoning creative economy development in Southern New Mexico with larger, industry-standard facilities. This facility—which complements Arrowhead's existing Creative Campus plans—would also house the southern hub of the NGMA, as discussed in #1.
- **4.** Consolidation of Institute of American Indian Arts and Stagecoach: Stagecoach and IAIA were both Phase I Coalition members, but in Phase II, Stagecoach is now a subawardee of IAIA. This strategy allowed Stagecoach the nimbleness to deliver bootcamps and collaborate with unions while leveraging IAIA's strength in reporting and accountability as the lead Coalition member.
- 5. New direction and subawardees for University of New Mexico: Preliminary research of the feasibility study that comprises UNM's Phase 1 deliverable revealed that physical construction of a new hub in Albuquerque would not deliver the same results in rural outreach as establishing new offices and coordinators in strategic rural locations. Additionally, the shift away from a construction project to a non-construction project allowed UNM to bring aboard two subawaradees offering important workforce development with robust success in job placement: Cultivating Coders and R4 Creating. See support letters for more details.
- 6. New subawardees for Creative Startups: As part of both BIPOC and rural outreach efforts, Creative Startups invited two subawardees to lead entrepreneurial training and outreach for historically underserved communities: Vital Spaces and the Success Through Technology Education (STTE) Foundation whose mission is to building a future STEAM workforce and fostering a creative tech startup ecosystem in Hispanic and Latinx communities. See support letters for more details.
- 7. City of Santa Fe construction deemed unfeasible: Preliminary research conducted by the City of Santa Fe indicated that their project was unable to identify a shovel-ready site that, given city council policies and procedures, would be ready as part of a Phase II submission by March 15th. Thus Create New Mexico chose to invite Arrowhead Center Inc. as a Coalition member to construct a mixed-use creative tech hub in Las Cruces. The City of Santa Fe is still a strong supporter of the Create New Mexico project, pledging their support through "sponsorship funding for programming, promoting resources to [the Santa Fe] community, and connecting [the Coalition] to residents and the Santa Fe entrepreneurial ecosystem." See letter of support for more details.