

Stronger state economy requires shared vision and collaboration

Written by By William F. Fulginiti Executive Director, NM Municipal League
Friday, 24 June 2016 05:20



As elected city leaders, New Mexico Municipal League members understand the importance of creating jobs in a state where recovery from the 2008-2009 recession has been slow at best.

Because the Municipal League represents the state's 106 cities, towns, and villages — from small towns like Tatum and Chama to urban hubs like Albuquerque and Las Cruces — we have a statewide perspective on economic development. That's why the league has taken a leadership role in initiatives that stimulate job creation in every corner of this diverse state.

As league director, I've had the privilege of serving on several boards, councils, and committees dedicated to strengthening the state's economy.

One, the New Mexico Finance Authority, provides fiduciary oversight for infrastructure projects through its flagship program, the Public Project Revolving Fund. PPRF lends money to communities to finance public projects, such as water systems and other infrastructure upgrades; to pay for equipment needed by fire departments and law enforcement agencies; and to build public facilities.

As of September 2015, the PPRF had 664 active loans representing \$1.24 billion that's creating jobs and the framework for economic growth throughout the state.

Stronger state economy requires shared vision and collaboration

Written by By William F. Fulginiti Executive Director, NM Municipal League
Friday, 24 June 2016 05:20

The New Mexico Finance Authority board also oversees loan programs accessible by private businesses in the state. The New Markets Tax Credit, Collateral Support and Smart Money programs are funding mechanisms that are essentially public-private partnerships for job creation.

The New Mexico Jobs Council is another place where the Municipal League has an impact on economic development. The Legislature launched this interim committee in 2013 to review the job market and potential new industries and identify a tangible path to full employment. At the invitation of co-chairs Senate President Pro-Tempore Mary Kay Papen (D-Las Cruces) and Speaker of the House Don Tripp (R-Socorro), we offer lawmakers insight into the challenges and opportunities that exist in different parts of the state. Together with Steve Kopelman, my counterpart at the New Mexico Association of Counties, every resident of New Mexico is represented on the Council.

At the local level, the League is supporting its membership with initiatives like the Grow It! project. Grow It! helps municipalities support local businesses by providing the tools businesses need to expand, and by connecting startups with organizations and resources that provide crucial financial and entrepreneurial assistance. More municipalities are participating in the project by linking to their city's website and connecting local businesses to resources that often aren't available beyond the state's largest metropolitan areas.

The League also continues to advocate for expansion of the Local Economic Development Act, which allows the state to contribute public money toward private ventures that demonstrate a specific community benefit, such as job creation. More municipalities are adopting LEDA ordinances and using funds generated by their 1/8 percent local option gross receipts tax to invest in local businesses that create jobs. In its 2016 session, the Legislature increased LEDA funding for the state, which the Economic Development Department can channel into infrastructure projects in communities that participate in public-private partnerships.

The league has been at the forefront of policy development for decades — leading and collaborating to create tax increment financing, LEDA statutes, the NMFA and its financing instruments and other economic development tools that build communities. Through these and many other activities, the Municipal League is demonstrating how New Mexicans can work together to improve economic opportunities for all our residents.

Stronger state economy requires shared vision and collaboration

Written by By William F. Fulginiti Executive Director, NM Municipal League
Friday, 24 June 2016 05:20

Finance New Mexico assists individuals and businesses with obtaining skills and funding resources for their business or idea. To learn more, go to FinanceNewMexico.org

By William F. Fulginiti

Executive Director, NM Municipal League