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CITY OF SANTA FE, NEW MEXICO

BILL NO. 2014-19

INTRODUCED BY:

Councilor Signe Lindell

Mayor Javier Gonzales

AN ORDINANCE

**RELATING TO THE CITY OF SANTA FE ECONOMIC DEVELOPMENT PLAN
ORDINANCE, ARTICLE 11-11 SFCC 1987; AMENDING ORDINANCE NO. 1997-1 FOR
THE PURPOSE OF APPROVING AND ADOPTING A FIRST AMENDED AND RESTATED
LOCAL ECONOMIC DEVELOPMENT PROJECT PARTICIPATION AGREEMENT
BETWEEN THE CITY OF SANTA FE AND SANTA FE BUSINESS INCUBATOR, INC. TO
RESTRUCTURE AND ADD TO THE CONTRIBUTIONS AND OBLIGATIONS OF THE
CITY AND SANTA FE BUSINESS INCUBATOR, INC.**

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE.

Section 1. Short Title. This Ordinance shall be known as the “Santa Fe Business Incubator Ordinance to restructure and add to the contributions and obligations of the City and Santa Fe Business Incubator, Inc.”

Section 2. Recitals.

A. The Local Economic Development Act, Sections 5-10-1 *et. seq.* NMSA 1978 explicitly permits municipalities to assist qualifying entities with economic development projects

1 through the use of public resources; and

2 B. The City of Santa Fe has complied with the requirements of the Local Economic
3 Development Act by adopting an Economic Development Plan Ordinance (11-11 SFCC (1987)).
4 Incorporated within that Ordinance are the City of Santa Fe's community economic development plan
5 and its economic development strategy for implementation.

6 C. On January 8, 1997, the governing body of the City of Santa Fe approved the
7 Economic Development Project Participation Agreement ("PPA") between the City of Santa Fe and
8 Santa Fe Business Incubator ("SFBI") whereby SFBI was designated as a "Qualifying Entity" to
9 receive funding from the City for the SFBI project that would support the City's economic
10 development plan.

11 D. On June 30, 2004, the City of Santa Fe, in furtherance of the 1997 PPA, entered into
12 a Loan Agreement with the Secretary of Housing and Urban Development (HUD/Lender) borrowing
13 \$300,000 for the purposes of providing funding to the Santa Fe Business Incubator (SFBI as Sub-
14 Recipient) to construct Phase II and improve its facility on property donated to it by the City
15 ("Loan"). Currently, the remaining balance on the Loan is \$192,491.29. The Loan permits the City
16 to prepay the balance in full on August 1, 2014 with the funds wired before July 24, 2014. No later
17 than June 1, 2014, the City needs to send HUD a letter indicating notice of intent of Borrower prepay
18 off Loan Agreement (needs to be done between 90 and 60 days prior to August 1, 2014).

19 E. The SFBI is part of the mission of the City's Economic Development Division
20 because the Economic Development Plan supports the creation and maintenance of business
21 incubators in the City to promote and assist startup businesses.

22 F. For this reason, the City would like to prepay the balance of the Loan Agreement on
23 August 1, 2014. The Economic Development Division has identified a source of funds, held in
24 escrow, and is requesting a legal opinion on whether the escrowed funds can be used for the purpose
25 of prepaying the HUD loan in full.

1 G. To accomplish the prepayment of the Loan, the City and SFBI have determined that
2 there is a need to enter into the First Amended and Restated Project Participation Agreement to
3 restructure and add contributions and obligations of the City and SFBI.

4 **Section 3. Findings.** The governing body hereby finds:

5 A. The City of Santa Fe has determined that it is in the interest of the welfare of the
6 citizens of Santa Fe to enter into the First Amended Economic Development Project Participation
7 Agreement for the purposes of effectuating its Economic Development Plan and the Project.

8 B. In compliance with the City's economic development ordinance, 11-11 SFCC (1987),
9 the January 8, 1997 Project Participation Agreement and the First Amended and Restated Project
10 Participation Agreement between SFBI and the City clearly state the following:

11 (1) The economic development goals of the project;

12 (2) The contributions of the City and SFBI, Inc.;

13 (3) The specific measurable objectives upon which the performance review will
14 be based;

15 (4) A schedule for project development and goal attainment;

16 (5) The security being offered for the City's investment;

17 (6) The procedures by which the Project may be terminated and the City's
18 investment recovered;

19 (7) The time period for which the City shall retain a security interest in the
20 Project; and

21 (8) A "sunset" clause after which the City shall relinquish interest in and
22 oversight of the project;

23 (9) The designation of SFBI as a qualifying entity.

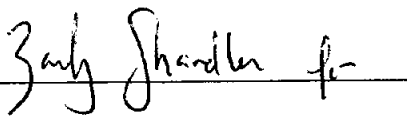
24 **Section 4. Approval and Adoption of First Amended and Restated Project**
25 **Participation Agreement (PPA) between the City and Santa Fe Business Incubator, Inc.**

1 The governing body hereby approves the First Amended PPA which adds the City's financial
2 contribution of prepaying the Loan balance in full on August 1, 2014 with the funds wired before July
3 24, 2014. Loan is \$192,456.26. No later than June 1, 2014, the City shall send HUD a letter
4 indicating notice of intent of the City to prepay the Loan balance in full (needs to be done between 90
5 and 60 days prior to August 1, 2014). The First Amended PPA restructures the financial obligations
6 of Santa Fe Business Incubator and provides a repayment schedule for reimbursing the City for the
7 prepayment of the Loan balance. The First Amended and Restated Project Participation Agreement,
8 attached hereto as Exhibit "A", is hereby adopted.

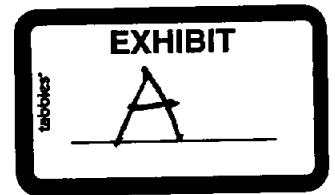
9 **Section 5. Severability Clause.** If any section, paragraph, clause, or provision of this
10 Ordinance, or any section, paragraph, clause, or provision of any regulation promulgated hereunder
11 shall for any reason be held to be invalid, unlawful, or unenforceable, the invalidity, illegality, or
12 unenforceability of such section, paragraph, clause, or provision shall not affect the validity of the
13 remaining portions of this Ordinance or the regulation so challenged.

14 **Section 6. Effective Date.** This Ordinance shall become effective immediately upon
15 adoption.

16 APPROVED AS TO FORM:

17
18 

19 KELLEY A. BRENNAN, INTERIM CITY ATTORNEY



CITY OF SANTA FE

ECONOMIC DEVELOPMENT

FIRST AMENDED AND RESTATED PROJECT PARTICIPATION AGREEMENT

THIS PROJECT PARTICIPATION AGREEMENT is made and entered into this _____ day of _____, 2014 by and between the City of Santa Fe, hereinafter referred to as the "City"; and Santa Fe Business Incubator, hereinafter referred to as the "Qualifying Entity" (Q/E) or SFBI. This First Amended and Restated Project Participation Agreement ("PPA") supersedes and entirely replaces the Project Participation Agreement entered into between the Q/E and the City on January 8, 1997 which has been fulfilled by the Q/E and the City.

WHEREAS, the State of New Mexico has deemed it in the best interest of the citizens of New Mexico to enact the Local Economic Development Act (N.M. Stat. Ann. 5-10-1 et seq. (1978));

WHEREAS, the Local Economic Development Act explicitly permits municipalities to assist qualifying entities with economic development projects through the use of public resources;

WHEREAS, the City of Santa Fe has complied with the requirements of the Local Economic Development Act by adopting an economic development plan ordinance incorporating within that ordinance its community economic development plan (11-11 SFCC (1987)) called the Community Economic Development Plan and Economic Development Strategy for Implementation, dated May 21, 2008;

WHEREAS, the Q/E is paying off the following loan that was used to construct Phase II of the SFBI as follows. On June 30, 2004, the City (Borrower) entered into a Loan Agreement with the Secretary of Housing and Urban Development (HUD/Lender) borrowing \$300,000 for the purposes of providing funding to the SFBI (as Sub-Recipient) to construct Phase II and improve its facility on property donated to it by the City ("Loan");

WHEREAS, the remaining balance on the Loan is \$192,456.26. The Loan permits the City to prepay the balance in full on August 1, 2014 with the funds wired before July 24, 2014. No later than June 1, 2014, the City needs to send HUD a letter indicating notice of intent of Borrower to prepay off Loan Agreement (needs to be done between 90 and 60 days prior to August 1, 2014). The SFBI is part of the mission of the City's Economic Development Division because the Economic Development Plan supports the creation and maintenance of business incubators in the City to promote and assist startup businesses and entrepreneurs. For this reason, the City would like to prepay the balance of the Loan Agreement on August 1, 2014. The Economic Development Division has identified a source of funds, held in escrow, and is requesting a legal opinion on whether the escrowed funds can be used for the purpose of prepaying the HUD loan in full;

WHEREAS, the City of Santa Fe has complied with the requirement of its Local Economic Development Ordinance, 11-11.1 through 11-11.16, by adopting the Original PPA and this Amended PPA and Ordinance 2014 ____ which state the contributions and obligation of all parties in the economic development project. The Original PPA and Amended PPA clearly state the following:

- (1) The economic development goals of the project;
- (2) The contributions of the City and the Q/E;
- (3) The specific measurable objectives upon which the performance review will be based;
- (4) A schedule for project development and goal attainment;
- (5) The security being offered for the City's investment;
- (6) The procedures by which a project may be terminated and the City's investment recovered;
- (7) The time period for which the City shall retain an interest in the project;
- (8) That the SFBI. is a qualifying entity; and
- (9) A "sunset" clause after which the City shall relinquish interest in and oversight of the Project.

WHEREAS, the City of Santa Fe has determined that it is in the interest of the welfare of the citizens of Santa Fe to enter into this First Amended and Restated PPA for the purposes of effectuating its economic development plan.

NOW THEREFORE, in consideration of the premises, the following and other good and valuable consideration the receipt of which is hereby acknowledged the undersigned parties hereby agree as follows.

1. **CONTRIBUTIONS AND OBLIGATIONS OF THE CITY AND THE Q/E.**

A. **Economic development goals of the project:** The mission of the Q/E is stated as follows: "In order to promote a diverse and balanced economy for Santa Fe, the incubator will develop emerging businesses to provide future income opportunities for Santa Feans. This Project implements the Community Economic Development Plan (CEDP) because it is a business incubator to provide support for companies which are starting up or have outgrown their home based operations. Business Incubators support the following CEDP goals:

- (1) Implementing comprehensive economic development policies that address both local and regional objectives;
- (2) Directing major economic development initiatives toward creating opportunities for local residents that result in the steady improvement in the standard of living;
- (3) Ensuring that the city's economic prosperity is shared equitably;
- (4) Fostering the region's economic development while preserving its unique and diverse quality of life;
- (5) Using sustainably the region's natural, financial, intellectual, technological and physical resources;

- (6) Diversifying the economic base of the City to support a vibrant and sustainable mix of jobs and opportunities.

B. Contributions of the City and the Q/E:

- (1) **Donation and Services of the City.** The City of Santa Fe shall prepay the Loan balance in full on August 1, 2014 with the funds wired before July 24, 2014. Loan is \$192,456.26. No later than June 1, 2014, the City shall send HUD a letter indicating notice of intent of the City to prepay the Loan balance in full (needs to be done between 60 and 90 days prior to August 1, 2014).
- (2) **Contribution of the Q/E.**
 - (a) **Financial Investment:** The Q/E brings the following financial investment to the project: The Q/E has been in existence since 1997 and currently has over \$4,000,000 in assets.
 - (b) **Business Formation:** The Q/E shall continue to operate the incubator in a manner that will facilitate the creation and start-up of companies in the industries outlined in the City's latest community economic development plan, implementation strategy or other strategic plan formally adopted by the City using best practices as outlined by the National Business Incubator Association. The Q/E will ensure that the incubator program will maintain a plan for the ongoing exit and graduation of client businesses. The plan will ensure that an average of 2.5 businesses per year will exit the incubator until the end of the term of the loan agreement. This average will be calculated over a rolling three year period.
 - (c) **Expanded Tax Base:** Contributions to the City's tax base resulting from this project are enumerated in the *Economic Impact During 2011 of the Santa Fe Business Incubator* analysis, dated April 16, attached hereto as Exhibit "1". Tax revenues generated by this project for the City, including property tax, gross receipts tax and other revenues are estimated to generate approximately \$1.1 million annually.
 - (d) **Other:**
 - (i) Q/E will pay back the Loan beginning 5 years from the effective date of the Agreement.
 - (ii) Q/E and the City have agreed to a 15 year loan repayment schedule in the amount of \$192,456.26, plus 1% interest for a total amount of \$207,731.04. See Exhibit "2", attached hereto.
 - (iii) Q/E in collaboration with the City will develop an five year plan of business operations. The business operation plan will outline how the QE will shore its operations to successfully provide incubator services for the City and region for the next life of the loan.

2. PERFORMANCE REVIEW AND CRITERIA

A. **Annual Review.** The Q/E will provide annual reports to the City and City Staff shall conduct an annual review of these reports. The annual reports shall clearly indicate how the Q/E has verified the revenue assumptions and other indices contained in the *Economic Impact During 2011 of the Santa Fe Business Incubator* analysis (see Exhibit "1"). The review shall determine whether the project is in compliance with the agreement and is substantially achieving the goals and objectives herein.

B. **Company Formation and Expanded Tax Base.** The annual review shall determine whether the Q/E has substantially achieved the company formation and expanded tax assumptions embodied in the *Economic Impact During 2011 of the Santa Fe Business Incubator* analysis, dated April 16, 2012, attached hereto as Exhibit "1" (2.5 business exists per year) . If, in the opinion of the City, these assumptions are not substantially met, the review shall determine whether the actual expanded tax based achieves a positive benefit-cost ratio, and shall form conclusions and make recommendations regarding continuing under this Agreement.

3. SECURITY FOR CITY'S INVESTMENT

The Promissory Note and Mortgage executed by the Q/E with repayment of the Loan over a 15 year schedule, attached as Exhibit "3" is the security is required.

4. TERM

This Agreement shall remain in force for 20 years from the execution date of the Agreement or until conditions of the Agreement are performed in full or to the satisfaction of the City. In the event that the Q/E performs or exceeds the required performance levels contained in this Agreement, this agreement may be terminated at that time.

5. TERMINATION

This Agreement may be terminated by the City upon written notice delivered to the Q/E at least 45 days prior to the intended date of termination in the event that the Q/E ceases to operate the project in accordance with the terms of this Agreement. If the Q/E is found to not be in substantial compliance with the Agreement, the City reserves the right to terminate the Agreement and recall public funding that was used for prepayment of the Loan in full.

The Q/E may terminate the agreement by pre-paying the loan balance in full to the City without penalty. The Q/E must send a letter to the City giving notice of their intent to pre-pay the balance of the loan in full within 60-90 days prior to the due date of the loan payment.

6. **STATUS OF THE Q/E**

The Q/E, and its agents and employees are not employees of the City. The Q/E, and its agents and employees, shall not accrue leave, retirement, insurance, bonding, use of City vehicles or any other benefits afforded to employees of the City as a result of this Agreement.

7. **ASSIGNMENT**

The Q/E shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of the City.

8. **LIABILITY**

It is expressly understood and agreed by and between Q/E and the City that Q/E shall defend, indemnify and hold harmless the City for all losses, damages, claims or judgments on account of any suit, judgment, execution, claims, actions or demands whatsoever resulting from Q/E's actions or inactions as a result of this Agreement. Q/E shall maintain adequate insurance in at least the aggregate maximum amounts which the City could be liable consistent with the provisions of the New Mexico Tort Claims Act. It is the sole responsibility of the Q/E to be in compliance with the law.

9. **INSURANCE**

A. The Contractor, at its own cost and expense, shall carry and maintain in full force and effect during the term of this Agreement, comprehensive general liability insurance covering bodily injury and property damage liability, in a form and with an insurance company acceptable to the City, with limits of coverage in the maximum amount which the City could be held liable under the New Mexico Tort Claims Act for each person injured and for each accident resulting in damage to property. Such insurance shall provide that the City is named as an additional insured and that the City will be notified within 10 days of cancellation for any reason. The Contractor shall furnish the City with a copy of a "Certificate of Insurance" as a condition prior to performing services under this Agreement.

B. Contractor shall also obtain and maintain Workers' Compensation insurance, required by law, to provide coverage for Contractor's employees throughout the term of this Agreement. Contractor shall provide the City with evidence of its compliance with such requirement.

C. Contractor shall maintain professional liability insurance throughout the term of this Agreement providing a minimum coverage of one million dollars (\$1,000,000) per occurrence. The Contractor shall furnish the City with Proof of Insurance as a condition prior to performing services under this Agreement.

10. **NEW MEXICO TORT CLAIMS ACT**

Any liability incurred by the City of Santa Fe in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et. seq. NMSA 1978, as amended. The City and its “public employees” as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense and do not waive any limitation of liability pursuant to law. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

11. **THIRD PARTY BENEFICIARIES**

By entering into this Agreement the parties do not intend to create any right, title or interest in or for the benefit of any person other than the City and the Q/E. No person shall claim any right, title or interest under this Agreement or seek to enforce this Agreement as a third party beneficiary of this Agreement.

12. **RECORDS AND AUDITS**

The Q/E shall maintain detailed time records which indicate the date and nature of services rendered. These records shall be subject to inspection by the City, the Department of Finance and Administration and the State Auditor. The City shall have the right to audit billings both before and after payment; payments under this Agreement shall not foreclose the right of the City to recover excessive illegal payments.

13. **APPROPRIATIONS**

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Department of Finance and Administration on behalf of the Q/E to the City for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Department of Finance and Administration on behalf of the Q/E to the City, this Agreement shall terminate upon written notice being given by the City to the Q/E.

14. **RELEASE**

The Q/E, upon final fulfillment of this Agreement, releases the City, its officers and employees, from all liabilities, claims and obligations whatsoever arising from or under this Agreement. The Q/E agrees not to purport to bind the City to any obligation not assumed herein by the City unless the Q/E has express written authority to do so, and then only within the strict limits of that authority.

15. **CONFIDENTIALITY**

Any confidential information provided to or developed by the Q/E in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Q/E without the prior written approval of the City.

16. **CONFLICT OF INTEREST**

The Q/E warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under this Agreement.

17. **AMENDMENT**

This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto.

18. **SCOPE OF AGREEMENT**

This Agreement incorporates all the agreements, covenants, and understanding between the parties hereto concerning the subject matter hereof, and all such covenants, agreements, or understandings have been merged into this written Agreement. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in the Agreement.

19. **REPRESENTATIONS AND WARRANTIES**

The Q/E hereby warrants the Q/E is and will remain in compliance with the Americans with Disabilities Act, 29 CFR 1630.

20. **APPLICABLE LAW**

This Agreement shall be governed by the ordinances of the City of Santa Fe and the laws of the State of New Mexico.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CITY OF SANTA FE:

Javier M. Gonzales, Mayor

ATTEST:

Yolanda Y. Vigil, City Clerk

APPROVED AS TO FORM:

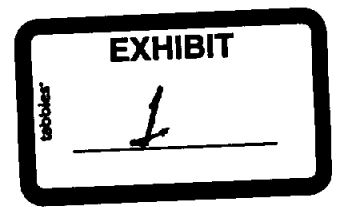


Kelley A. Brennan, Interim City Attorney 6/6/14

QUALIFYING ENTITY:
Santa Fe Business Incubator

By: _____
Marie Longmire, Executive Director

Employer ID Number:
City of Santa Fe Business ID Number:



The Economic Impact During 2011 of the Santa Fe Business Incubator

April 16, 2012

Prepared for:
Santa Fe Business Incubator
3900 Paseo del Sol
Santa Fe, NM 87507

Prepared by:
Impact DataSource, LLC
4709 Cap Rock Drive
Austin, Texas 78735
(512) 892-0205
Fax (512) 892-2569
www.impactdatasource.com

ImpactDataSource

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EXECUTIVE SUMMARY

The purpose of the analysis was to estimate the annual economic impact during 2011 of the Santa Fe Business Incubator -- one of six certified business incubators in New Mexico.

The economic impact of (1) the operations of the incubator was projected, along with (2) the impact of the firms assisted by the incubator, once they graduated from the incubator and became self-supporting companies.

About the Incubator

The Santa Fe Business Incubator, founded in December, 1997, is a non-profit corporation that helps entrepreneurs grow and succeed in their business. The 30,000 square foot facility offers office and production spaces for technical firms, service companies and manufacturing businesses.

The incubator provides a wide range of business services including on-site technical assistance, training workshops, shared equipment, community resources and access to capital.

Over the past five years, the incubator received \$4.4 million in funding for their operations.

Tenants

During 2011, 16 tenants were assisted by the incubator. In addition, during the year, tenants reported funding of \$18.7 million, including equity injections, revenues, grants and contracts, and research and development grants and contracts.

Graduates Over the Past Five Years

Forty-five firms graduated from the incubator over the past five years. An estimated 78% of these companies are still operating.

Types of Economic Impacts Generated by Tenants and Graduates

Incubator tenants and companies graduating from the incubator generate economic impacts, including jobs, salaries and business revenues.

Further, there are three types of economic impacts of tenants and graduates -- direct, indirect and induced -- and regional economic multipliers were used to determine indirect and induced impacts.

Economic Impact During 2011 of Tenants and Graduates of the Incubator

Some of the estimated economic impacts that the incubator generated for New Mexico during 2011 are shown below.

Economic Impact During 2011 of Tenants and Graduates of the Incubator			
	2010	2011	Total
Number of direct businesses operating in incubator activities	10	13	23
Annual revenues generated by businesses (including sales and product):			
Direct	\$2,376,800	\$10,889,000	\$13,265,800
Indirect and induced	\$2,390,884	\$10,889,285	\$13,280,169
Total	\$4,767,684	\$21,778,285	\$26,545,969
Jobs created and supported by businesses:			
Direct	80	185	265
Indirect and induced	58	117	175
Total	138	302	440
Annual salaries paid to workers:			
Direct	\$2,950,000	\$14,100,000	\$17,050,000
Indirect and induced	\$1,453,000	\$6,401,250	\$7,854,250
Total	\$4,403,000	\$20,501,250	\$24,904,250
Property added to tax rolls	\$6,000,000	\$15,725,000	\$21,725,000
Annual taxable gross receipts generated and revenues (direct, indirect and induced):	\$7,104,795	\$23,428,464	\$30,533,259
Taxable spending by direct, indirect and induced workers	\$1,761,200	\$6,604,500	\$8,365,700
Taxable spending by businesses	\$500,000	\$2,989,935	\$3,489,935
Total gross receipts	\$9,365,995	\$29,018,999	\$38,384,994

Revenues Generated During 2011 for the State and Local Taxing Districts by Tenants and Graduates of the Incubator

Economic impacts generated by incubator tenants and graduates translate into revenues for the State and local taxing districts. These estimated revenues for 2011 are shown on the following page.

Estimated Revenues Generated during 2011 for the State and Local Taxing Districts by the Incubator Tenants and Graduates			
	2007	2008	2009
Gross Revenue	\$0	\$0	\$0
Property taxes	\$10,124	\$29,204	\$89,525
State Income taxes			
Corporate	\$164,099		\$164,099
Personal	\$164,099		\$164,099
Total	\$264,222	\$29,204	\$353,623

\$0
\$0
#REF!
\$0

Return on the State's Investment in the incubator

State Funding for the New Mexico Business Incubator Program During Fiscal Years 2007-2010

During fiscal years 2007-2010, the New Mexico Economic Development Department provided \$639,500 in funding for the New Mexico Business Incubator Program, including \$25,000 for the Santa Fe Business Incubator.

Rate of Return on Investment Over Four Years

These funds may be considered a state investment in the state's economic growth and the returns on that investment are the additional revenues that the incubator tenants and graduates and their workers generate for the State and local taxing districts, including cities, counties, school districts and special taxing districts.

If this is the case, a rate of return on investment may be calculated on this investment. The average annual rate of return on investment on the State's funding for the Santa Fe Business Incubator is shown on the next page.

Estimated Revenues Generated Over a Four-Year Period for the State and Local Taxing Districts by Incubator Tenants and Graduates	
The state's total investment in the Santa Fe Business Incubator over four years	\$100,000
Taxes to be received from tenants and graduates over four years	\$295.22
By the State of New Mexico	\$280.42
By the local taxing district	\$14.80
Total	\$295.22
Rate of return on investment	
For the state only	295.22%
For the state and local taxing districts	295.22%
Cost-benefit ratio (total benefits/total costs)	2.9522
Returns to the state	280.42%

As shown above, for every dollar of funding that the state provided to the Santa Fe Business Incubator over four years, tenants and graduates of the program may return \$295.22 to the state during a four year period.

Details of this economic impact analysis are on the following pages.