

EY + Santa Fe Data Collection and Analysis

Economic Development Advisory Committee
April 2, 2025



CITY OF SANTA FE
ECONOMIC DEVELOPMENT

Project Background

- ❑ EY was engaged by the City of Santa Fe to collect and analyze data related to the community, its economy, industries and workforce.
- ❑ The analysis will set the foundation for a future economic development strategic plan.
- ❑ The project also includes virtual interviews with stakeholders for on-the-ground insights to complement our data findings.
- ❑ Current status:
 - Completed review of recent plans and studies
 - Data analysis and interviews mostly completed
 - Need to work with City to review material and identify potential target industries
- ❑ Purpose of this meeting is to inform you about the project and key findings related to quality of life and hear your perspectives

Current target industries overview

City of Santa Fe (2004)	Santa Fe County (2014 EDSP)	NCNMEDD (2021 CEDS)	NCNMEDD, RDC (2024 REDI Plan)	New Mexico EDD	New Mexico Partnership		New Mexico EDD 2024 Creative Industries Study
Software Development		Cybersecurity	Technology	Cybersecurity	IT & Data Centers	Emerging Technologies	
		Biosciences		Biosciences	Bioscience		
Water Conservation and Clean Energy Technologies	Green Industry	Sustainable and Green Energy	Renewable Energy/Clean Industry	Sustainable & Green Energy	Energy & Natural Resources		
Arts and Culture	Arts & Culture						Crafts and artisan professions; Museum and gallery professions
Hospitality							Culinary arts
Design							Applied arts and design; Graphics and industrial design
Outdoor Gear and Apparel							
Publishing and New Media	Film & Media	Film and Television	Media	Film & Television			Information and broadcasting; Media: digital media, performing arts, visual arts

Current target industries overview

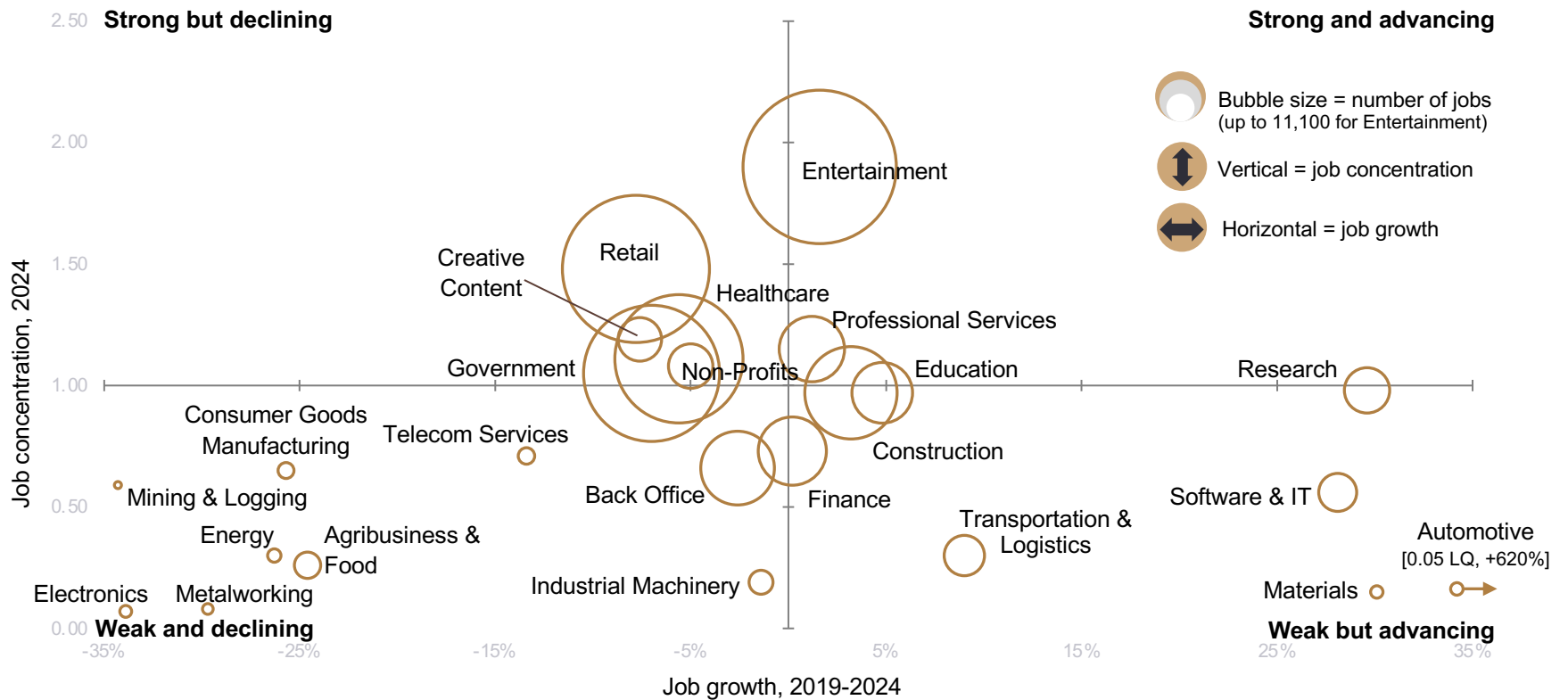
Additional industries at regional and state levels that are not targets at city level

Santa Fe County (2014 EDSP)	NCNMEDD (2021 CEDS)	NCNMEDD, RDC (2024 REDI Plan)	New Mexico EDD	New Mexico Partnership	New Mexico EDD 2024 Creative Industries Study
Agriculture	Sustainable and Value-Added Agriculture	High-Value/Value-Added Agriculture	Sustainable & Value-Added Agriculture	Value-Added Agriculture	
	Aerospace and Defense		Aerospace	Aerospace & Defense	
	Manufacturing and Global Trade		Intelligent Manufacturing	Advanced Manufacturing	
			Global Trade		
Ecotourism and Outdoor Recreation; Health & Wellness	Outdoor Recreation		Outdoor Recreation		
					Promotion, marketing, entertainment
				Business Headquarters, Support & Sales	
				Logistics, Warehousing & Distribution	

Current Target Industries

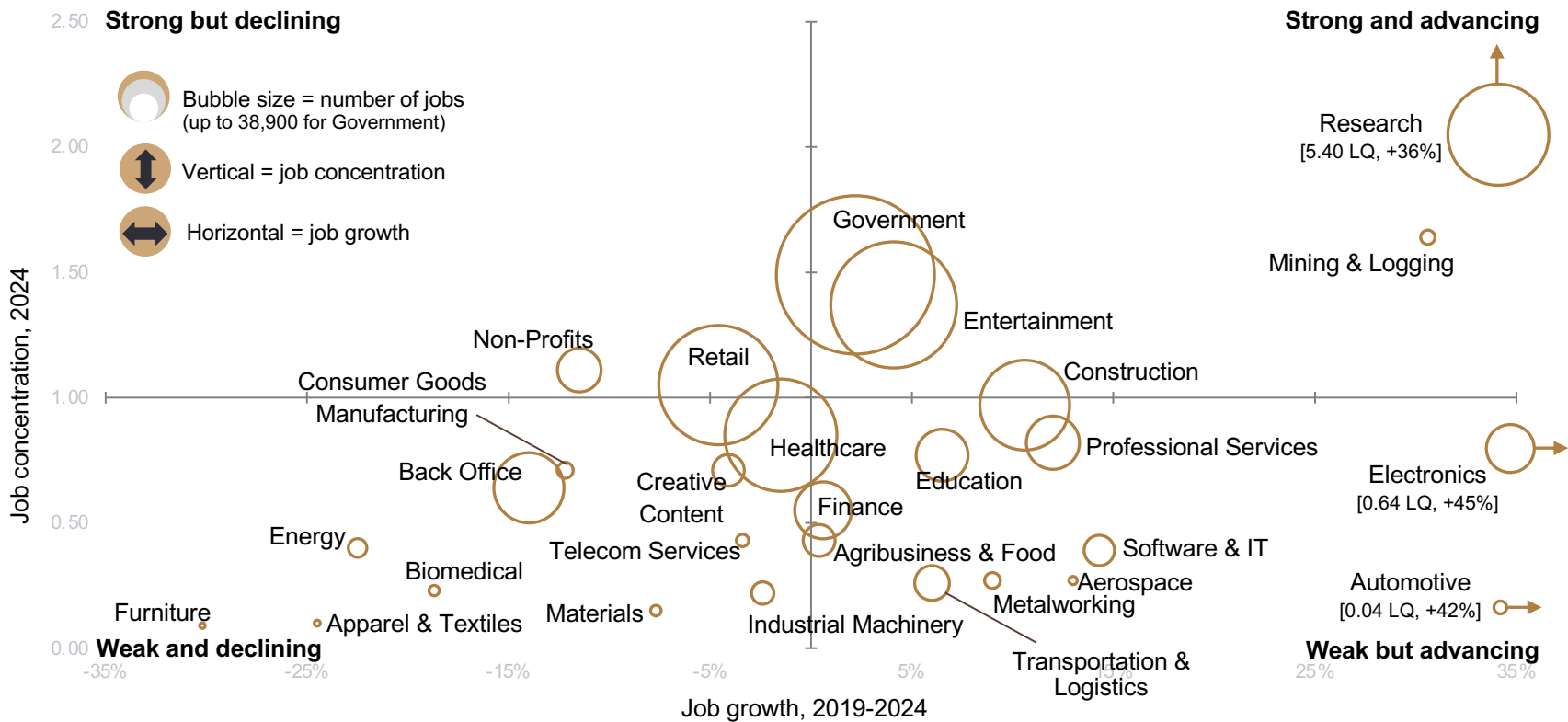
Description	2024 Jobs	2019 - 2024 Change	2024 Wages, Salaries, & Proprietor Earnings (\$)	2024 Employment Concentration
Arts and Culture	1,545	22%	48,223	3.31
Design	510	8%	53,997	2.69
Hospitality	9,031	-3%	33,605	1.90
Outdoor Gear and Apparel	26	-58%	38,893	0.05
Publishing and New Media	645	1%	86,309	0.91
Software Development	727	28%	116,927	0.57
Water Conservation and Clean Energy Technologies	76	36%	96,394	0.49

Industry Cluster Analysis: City of Santa Fe



Source: Lightcast. Clusters with limited (<30 jobs) or no presence in city: Aerospace, Apparel & Textiles, Biomedical, Furniture, Shipbuilding.

Industry Cluster Analysis: NCNMEDD



Source: Lightcast. Clusters with no presence in region: Shipbuilding.

Stakeholder interviews completed

- City of Santa Fe
- Dangerous Ventures
- Los Alamos National Laboratory
- Motiva (consultant for workforce development strategy for City)
- New Mexico Economic Development Department
- New Mexico Startup Alliance
- Northern Area Local Workforce Development Board
- PNM
- Regional Development Corporation
- Santa Fe Community College
- Santa Fe Community Foundation
- Santa Fe Public Schools
- United Way of North Central New Mexico
- University of New Mexico

Community SWOT Summary

Strengths

- Strong brand and identity
- Quality of life
- Access to state capital and agencies
- Community collaboration (noted by some interviewees)

Opportunities

- Expand economic opportunity beyond core to south side and other outlying areas
- Publicize Santa Fe's competitive advantages in quality of life
- Assets and partnerships in workforce development and small business support can be better leveraged and scaled

Weaknesses

- Workforce availability
- Ability to retain young professionals and young families
- Opposition to development and change

Threats

- Gaps and challenges in quality of life: housing costs, cost of living, crime, schools, parks, retail and services for residents
- Concerns about federal policy impacts on industry funding and immigrant workforce



Perspectives on Industries

❑ Consensus on **current major industries**

- Tourism and hospitality
- Arts and culture
- Government and related services

❑ **Land constraints** limit larger industrial projects, but Santa Fe has **other manufacturing opportunities**

- “We don’t and shouldn’t follow the old smokestack-chasing approach.”
- “Is it okay that Santa Fe is not manufacturing, not the place to scale? Maybe there are opportunities with county land and partnering with the county.”
- “An area of focus might be **testbed** type of opportunities”
- “**Prototyping** could be done with smaller sites, with advantages being between LANL and Sandia. The southwest portion of Santa Fe, maybe by the airport, might support 10,000 square foot shops.”
- “There is a lot of **specialty manufacturing** in Santa Fe (e.g., food and beverage). More could be done to help them access markets.”

❑ Opportunities in **science and tech**

- “This region is good at dealing with weird and hard problems, such as **deep tech** that may have dual use national security and other applications.”
- “The **SaaS** movement feels alienated compared to space and deep tech.”

Perspectives on Industries

❑ Starting versus scaling up a business

- “Santa Fe is a good place to start things but a difficult place to scale.”
- “We have a lot of tech and science activity and seem to do a good job with R&D and early stage. What we don’t have are facilities for R&D-spurred startups. Many end up moving to Albuquerque. Santa Fe Business Incubator is a great asset, but once a company graduates, they don’t have anywhere to go.”
- “What’s been missing in this ecosystem is consistent support outside of government. Historically, a lot of our support has been from entities that are grant-dependent.”
- There is a “lack of reasonable infrastructure for startup companies. Every year it gets harder to maintain startup companies in New Mexico.”
- “We have the Santa Fe Institute, spinouts from LANL. I’m surprised to see that tech companies haven’t grown here. Why aren’t we a hub for technology?”

❑ Small businesses and entrepreneurs across industries, whether tech or creative industries, have common areas of need for support

- **Legal services, IP protection**
- **Management expertise:** “There is a dearth of C-suite knowledge support for startups. There are people with this expertise in Santa Fe, but are there models to pull resources?”
- **Market access,** connections to potential customers: How much are hotels displaying local art or using local personal care products? Can a creative or craft manufacturer get into the local Target?”
- **Real estate**
- **Technology:** “So much of New Mexico small business lives on Facebook. Small creatives should have their own websites and backend.”