



NEW MEXICO

DEPARTMENT OF CULTURAL AFFAIRS

LEGISLATIVE FINANCE COMMITTEE
NOVEMBER 14, 2018



The mission of the Department of Cultural Affairs is to preserve, foster, and interpret New Mexico's diverse cultural heritage and expression for present and future generations, enhancing the quality of life and economic well-being of the state.



4,500 people attended Jemez Historic Site's annual December event, "Light Among the Ruins," in 2017, a steady increase over the 800 who attended in 2015.

Department of Cultural Affairs (DCA)

Programs

- Museums and Historic Sites
- Preservation: Historic Preservation and Archaeological Services
- Library Services
- Arts Services
- Program Support

Impact

- Over 1.6 million people participated in DCA programs in FY18.
- Another 1.4 million were served through arts programs funded by New Mexico Arts grants.
- Over 5.8 million library transactions utilize electronic databases offered by DCA.

Rural Services

- DCA services reach every county of the state.
- One-third of arts grant funding goes to rural communities outside Santa Fe, Albuquerque and Las Cruces (a far greater percentage than population).
- In its first year of operation "Wonders on Wheels," the department's mobile museum, educated 16,332 school children and 4,892 adults, totaling 21,224 rural New Mexicans.



Students from the School of the Aspen Santa Fe Ballet, which receives funding from New Mexico Arts.

Children Served

- Over 750,000 children were served by DCA programs.
- The statewide public and tribal libraries' "Summer Reading Program" increased participation from 59,392 in FY 11 to 98,889 in FY18.

Community Support

- In FY18, more than 2,300 volunteers across New Mexico contributed more than 112,000 hours of their time on Department of Cultural Affairs' programs and projects, an estimated value of \$2.3 million, equivalent to 54 full time employees.
- In FY18, DCA's foundation partners contributed \$4.5 million in support of special exhibitions and educational programs at DCA museums and Historic Sites.

Economic Impact

- A statewide study commissioned by DCA and conducted by UNM's Bureau of Business and Economic Research (BBER) found that the cultural industry in New Mexico is the third largest industry in the state, with a \$5.6 billion impact to the state's economy. Arts and cultural industries support 76,758 jobs, or 1 in 10 jobs statewide. This is higher than the construction and manufacturing industries combined.
- Grants from New Mexico Arts fund 185 to 195 arts organizations, schools, and government entities statewide. 75% of the almost \$1 million dollars in arts grant funding supports jobs in New Mexico: 362 full-time jobs and 642 part-time jobs in FY18.

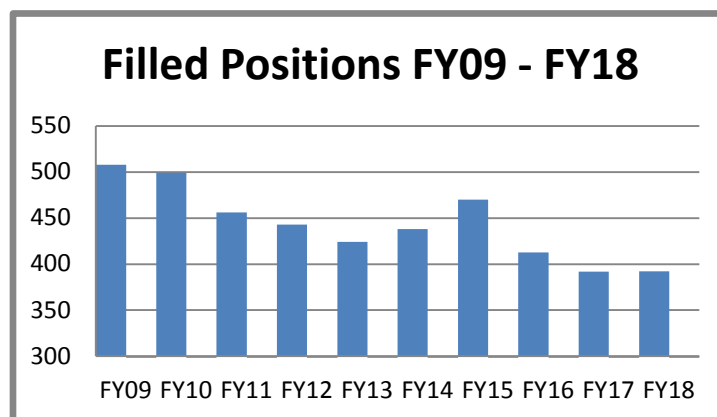
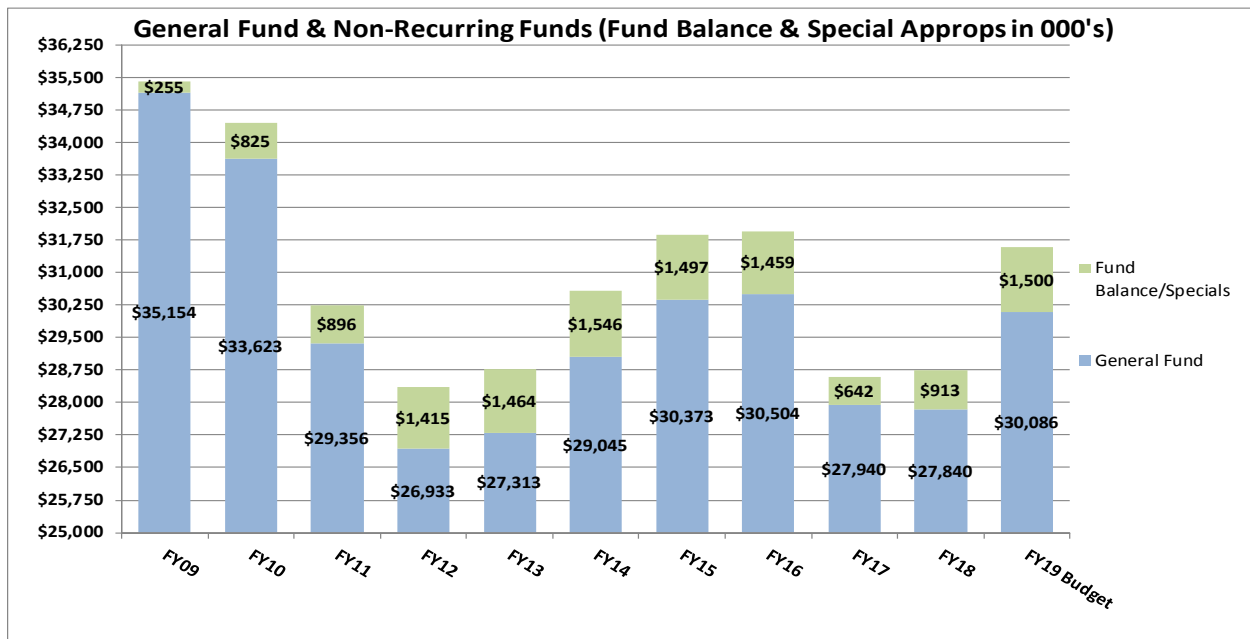
DCA Operating Budget

Vacancies

- FY19 vacancy rate is 20%, which includes 36 unfunded positions.
- Excluding unfunded positions, DCA's effective vacancy rate is 12.9%.
- 70 Permanent positions have been eliminated since 2009
- In 2018, DCA has filled 64 positions to date. 25% of hires were in-house promotions, creating new vacancies.
- DCA has requested additional \$1.9 million in FY 2020 to fill 36 remaining unfunded, critical positions

Base Budget Restoration Need

Since 2009, the Legislature has used fund balance and special legislative appropriations to supplement DCA's operating budget, which is no longer available. In current year FY19, DCA's General Fund appropriation is \$30 million, which is \$5 million lower than it was in FY09, and the agency is operating with 116 fewer staff.





Volunteers from the Office of Archaeological Studies lead a tour of the Pueblo Largo the archaeological site.

FY 2020 Base Budget Restoration Recurring General Fund

DCA is requesting \$3.57 million additional General Fund for budget restoration, an 11.9% increase

- Base restoration is being requested for all divisions
- \$1.9 million will fill approximately 36 general fund positions that have remained unfunded due to financial constraints
- \$1.3 million in “other costs” and \$340 thousand in “contracts”
 - \$500 thousand to make permanent the 2018 special appropriation for facilities maintenance
 - \$500 thousand for advertising, as during the economic crisis funds marketing funds were swept to the 200’s to cover personnel
 - \$140 thousand for IT replacement across agency (no funds in current budget) and IT support for new ticketing system
 - \$125 thousand restoration of Arts initiatives (FY2020 plans: arts in the military)
 - \$200 thousand for Archaeological services to support unfunded mandates under the Unmarked Burial Statute and their statewide education program.
 - \$50 thousand in the library budget to continue the Libraries as Launchpad program, an economic development initiative at public libraries across the state



The Casa Grande at Los Luceros Historic Site in Alcalde.

FY 2020 Unfunded Mandates and Core Operating Needs Recurring General Fund

DCA is requesting \$2.67 million to fund unfunded mandates and core operations

- \$750 thousand to support opening the 148-acre Los Luceros historic property. DCA is poised and ready to move forward in developing this site for the benefit of NM residents and tourists to explore and experience the beautiful historic property located in Northern New Mexico.
- \$500 thousand staffing of Vladem Contemporary at the Museum of Art, a public-private partnership to convert the former State Records and Archives Building in Santa Fe into a world-class modern art venue. \$10 million in private sector funds has been raised to construct the facility. The new venue is projected to open in late 2020. This request supports eight FTE including four curators, two educators, one conservator and one janitor.
- \$500 thousand to improve facility conditions across DCA and produce significant cost savings through preventative maintenance, streamlined procurement and professionalized construction management
- \$500 thousand to support improved broadband service and access for over 100 public and tribal libraries statewide, generating federal matching dollars to New Mexico in ratios of 90:1 for successful applications to federal E-Rate program.
- \$250 thousand increase in the State Grants-In-Aid program for public and tribal libraries.
- \$178 thousand for core services including security and customer service at Farm and Ranch Heritage Museum, Museum of International Folk Art and Museum of Indian Arts & Culture

Facilities Management and Capital Outlay

Facilities Management

Facilities management continues to be a critical issue for DCA. The FY2020 budget request includes \$1 million in base and expansion for facilities management.

Risk and responsibilities are high, to protect the integrity of historic structures, protect the invaluable contents held within our museums, and ensure life health and safety of visitors as well as staff.

- DCA owns 192 buildings on 16 campuses
- 1.3 million square feet of cultural facilities located statewide; 1,000 acres
- \$60 million backlog in capital repairs and upgrades
- DCA's facilities, equipment and contents are valued by Risk Management Division at \$1 billion

Stabilized source of annual funding for capital improvements needed

\$5 million annual allocation to DCA is needed from a stable fund source for capital improvements

- DCA is allocated only \$360,000 annually from GGRT
- DCA has no significant recurring, annual fund source with which to make basic repairs to its buildings. This situation is not the same for other executive agencies owning state properties:
 - Many agencies have base operating budget for life-cycle repairs facilities maintenance
 - Many agencies have access to fund sources dedicated towards repairs and improvements
 - State Parks is allocated \$5.5 million annually in Governmental Gross Receipts Tax (GGRT) revenues for upgrades to New Mexico's 34 State Parks
 - GSD has access to \$8 million annually from Capital Buildings Repair Fund for upgrades to State Buildings in Santa Fe. GSD owns 1.5 million square feet in Santa Fe, including space operated by other state agencies such as Corrections Department
- DCA needs \$5 million annually earmarked to DCA from a stable fund source outside of competitive legislative capital outlay funds for basic facility repairs and upgrades



Torreón at Lincoln Historic Site under construction

Capital Outlay

2019 Legislative Session Capital Outlay Request for FY2020:

- **Statewide Repairs and Upgrades** **\$18.3 million**
 - \$13 million - life, health, safety, emergency and life-cycle repairs
 - \$5.3 million - critical upgrades and improvements to enhance revenue generation



Heritage Garden at Farm Ranch Heritage Museum, before renovations



Heritage Garden at Farm Ranch Heritage Museum, after renovations

Special Appropriations Requests -- Non-Recurring General Fund

DCA is submitting three requests for Special Appropriations, one-time appropriations to complete specific projects already underway.

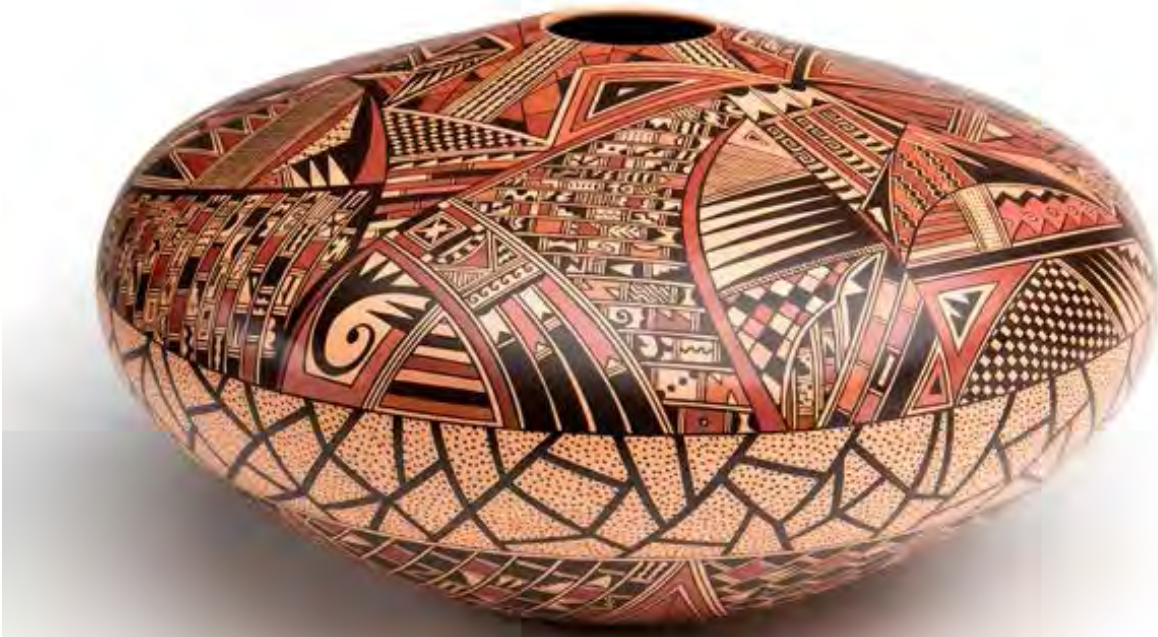


Architectural rendering of the Museum of Art's new Vladem Contemporary.

1) Vladem Contemporary Art Space \$ 3.5 million

Completion of Interior Spaces

- New Mexico Museum of Art is planning a new contemporary art venue, to be located at the Santa Fe Railyard. \$10 million in private funds has been raised for construction, to be matched with \$5 million in state funds for interior.
- Projected to increase attendance by 83%, an additional 61,000 visitors annually
- Museum of Art is facing challenges due to a lack of space for contemporary art exhibitions, education and collection development
- Will raise the profile of the museum and the state in national art circles, attracting additional attention to the creative economy of New Mexico
- An Economic Impact Study has demonstrated that funds flowing into Santa Fe as a direct result of the Vladem Contemporary, including private sector contributions from outside the Santa Fe area and additional tourism spending, will support the creation of 287 jobs, \$9.6 million in annual wages and salaries, \$19.7 million in new economic activity, and roughly \$1.2 million in annual state and local taxes
- During its first ten years, Vladem Contemporary is projected to stimulate a total of \$194 million in economic activity, supporting 345 jobs, producing \$102 million in income, and generating \$12.3 million in state and local tax revenue



Seed Jar by Hopi/Zuni ceramist Les Namingha from the collection of the Museum of Indian Arts & Culture.

2) Here, Now and Always Exhibit Completion \$ 3.0 million
Museum of Indian Arts and Culture

- Major campaign to revitalize the core, permanent exhibition at the Museum of Indian Arts and Culture, “Here, Now and Always,” which has not been upgraded since it opened 20 years ago
- Exhibit tells history of pueblos and tribes of the Southwest
- MIAC was among the first museums in the nation to use Native American content specialists as curators and consultants, involving representatives of many southwestern tribes and pueblos in exhibition development planning and curatorial process
- \$1.3 million private funds raised
- \$701,000 grant awarded from the federal National Endowment for the Humanities

3) Museum Collections Facility \$ 4.8 million

599 campus to benefit all Museums, Historic Sites, and Archaeology Division

- Collections facility will enable museums to accept gifts of important collections of New Mexico artists and collectors, which currently are being lost to other states because DCA has no place to store additional collections
- Schematics already completed



Visitors explore the inventions of Leonardo da Vinci at the Museum of Natural History and Science.

Fiscal Year 2018 Highlights

“Da Vinci – The Genius”

In FY 18, The Museum of Natural History and Science hosted the blockbuster traveling exhibition, “Da Vinci – The Genius”, breaking attendance records and boosting attendance by over 100,000 visitors from prior year. This was all the more remarkable, given reductions in staff and operating budget over the past decade. The high interest level from the public demonstrates that investing in new opportunities and creative programming draw excitement of the public, stimulating their desire to learn

From the Albuquerque Journal:

“Bravo! . . . Nearly any way you look at it, the Department of Cultural Affairs is riding a well-deserved high. While the department’s staff deserves credit for the wonderful exhibits and programs presented each year, as do the sponsors who help underwrite them, ultimately their success is due to the fact the people of our state are interested, curious and eager to take advantage of high-quality offerings.” AJ Editorial August 11, 2018

Fiscal Year 2018 Highlights Continued



Historic Preservation

In 2017, the Historic Preservation Division partnered with the City of Albuquerque and developer Chad Rennaker to secure a \$600,000 Federal Preservation Tax Credit to help restore the Historic El Vado Auto Court. The El Vado was built in 1937 and listed to the state and national registers of historic places in 1993. This multiple-purpose facility now hosts a new food court, a modern hotel, a tap room, and a conference center. Located directly across from the Albuquerque Zoo, the El Vado is poised to help anchor future development along the west end of the Central Avenue corridor.

Space History Museum

Over the past five years, visitation to the Museum of Space History in Alamogordo has increased by 49%, bringing the total number of people served in FY 18 to 136,383. This is a direct result of hard work by museum staff and continued support from the Executive and the State Legislature.

Historic Sites

At Historic Sites, attendance has increased 48% over the last five years. Attendance at the Los Luceros Harvest Festival increased from 600 in 2016 to 2,500 in 2018. The Nighttime “Star Party” event at Jemez Historic Site leapt from 45 visitors in 2017 to 707 in October 2018. Participation in the Lincoln and Fort Stanton “Historic Sites After Dark” programs brought more than 2,500 new visitors.

Arts and the Military

New Mexico Arts has launched a new Arts and the Military initiative in partnership with the state Veterans Affairs Department and Aging and Long-Term Services Department. The goal is to assist veterans and military families with health, healing and reintegration through the arts. New Mexico’s Arts and the Military program was highlighted recently by Americans for the Arts as part of their National Initiative for Arts & Health in the Military.

Audit

In FY 18, DCA once again had a clean audit, with no significant deficiencies or material weaknesses. This is the third year running that we have had a clean audit as a result of the hard work of our CFO and Administrative Services Division finance staff.

Department Leadership

Preservation Program

Office of Archaeological Studies
Historic Preservation Division

Dr. Eric Blinman, Director

Dr. Jeff Pappas, Director

Library Services Program

New Mexico State Library

Eli Guinnee, State Librarian

Arts Services Program

New Mexico Arts

Loie Fecteau, Director

Museums and Historic Sites Program

Museums

New Mexico Museum of Natural History & Science
National Hispanic Cultural Center
New Mexico Museum of Space History
New Mexico Farm and Ranch Heritage Museum
Museum of Indian Arts & Culture
Museum of International Folk Art
New Mexico History Museum
New Mexico Museum of Art
Museum Resources Division

Margie Marino, Director

Rebecca Avitia, Director

Chris Orwoll, Director

Mark Santiago, Director

Della Warrior, Director

Dr. Khristaan Villela, Director

Dr. Andrew Wulf, Director

Mary Kershaw, Director

David Rohr, Director

Historic Sites & Properties

New Mexico Historic Sites

Dr. Patrick Moore, Director

Central Region: Jemez, Coronado

Southeastern Mountain Region: Lincoln, Fort Stanton

Southern Region: Taylor-Barela-Reynolds, Fort Selden, El Camino Real

East: Fort Sumner Bosque Redondo

North: Los Luceros

Program Support

Office of the Cabinet Secretary
Office of the Cabinet Secretary
Administrative Services Division
Legal Services

Veronica Gonzales, Cabinet Secretary

Michael Delello, Deputy Secretary

Greg Geisler, Director, CFO

Jennifer Salazar, Legal Counsel