



Economic Development & Family Asset Building

Effective economic development can provide economic security and a dignified quality of life for our residents, a major priority given the state's high levels of poverty and unemployment. For this reason, the McCune Foundation has prioritized economic development and family asset building within its grants program, adopting the following language for the priority:

A Foundation priority is to create and expand the economic base in New Mexico and to view its grant making through an economic development lens whenever possible, in particular supporting programs and organizations that seek to foster entrepreneurship across sectors. The Foundation also supports programs and initiatives that support and help drive growth in family assets across the diverse communities of the state, enabling a broader base of economic stability for our families.

The following specific leverage points have been identified to help focus and drive the Foundation's grant making within this priority area.

Economic Development and Family Asset Building Leverage Points

Economic Development

Scalable elements supported by high-touch interventions – Programs and organizations that provide training and technical assistance to entrepreneurs and prospective entrepreneurs in New Mexico have proven effective but are often limited in the depth of support they can provide due to “scalability” concerns. The Foundation is interested in approaches that push the envelope in terms of depth-of-support provided to emerging enterprises, especially those that show potential for growth.

Innovation in enterprise structure – Revitalization of New Mexico’s economic sectors requires innovation. As such, the Foundation supports approaches that, among other things: appropriately and proactively blend various financial resources (private, public, philanthropic, etc.) to fund enterprise creation and growth; develop new structures of equitable ownership; and create opportunities for value creation that

will benefit entrepreneurs, investors and the greater New Mexico economy.

Accessibility of capital, particularly start-up and growth capital, is a key challenge for new, small and emerging enterprises in the state. Approaches that pair entrepreneurial support — which mitigates risk to enable lower interest rates — with sources of capital that are committed to “social” and financial returns are of interest to the Foundation.

Family Asset Building

Financial capabilities and economic engagement – Many families in New Mexico often lack the skills and technical resources to adequately manage personal and family budgets and finances. This often leads to a lack of engagement with the broader economic system beyond simple transactions. The Foundation prioritizes approaches that seek to build competencies, confidence and economic engagement for vulnerable New Mexico families.

Mortgages and credit – Homeownership and short-term access to emergency or other capital at non-predatory interest rates are key elements contributing to economic stability for New Mexican families, especially those living in our most vulnerable communities. The Foundation supports programs and approaches that make homeownership more accessible and successful, as well as those that work toward more affordable access to capital for working families.

Savings accounts represent one of the proven ways families can emerge from poverty. These accounts can often provide low-risk and stable avenues for education, enterprise development and protection from unexpected emergencies that might otherwise derail any progress a family has made toward economic stability. Programs that encourage and incentivize savings are considered for funding.