



## DESTINATION FORWARD FY27 GRANT GUIDELINES

The Destination Forward Grant (DFG) is a competitive grant that supports the long-term destination development and rejuvenation of community-based, sustainable tourism infrastructure projects across New Mexico.

The DFG helps empower New Mexican communities to become viable, welcoming, and highly desirable places to visit, as well as to repair, maintain, and enhance existing destinations for tourism.

The DFG focuses on funding tourism infrastructure, assets, and experiences that help build resilient, vibrant communities and that **align with the New Mexico True Brand promise of “adventure steeped in culture.”**

A desirable destination is a place that inspires the residents as well. The DFG will award projects that convey strong community-based leadership and display long-term viability through thoughtful and community derived planning. DFG projects will support sustainable local tourism business revenue growth.

The DFG intends to give New Mexico and its various tourism projects and destinations more **national and global prominence** in environmentally sustainable tourism development and management.

The DFG will consider applicants to be more competitive by meeting our goals of improving local communities’ socio-economy and culture as well as the local environment.

### COMMITMENT TO SUSTAINABLE TOURISM INFRASTRUCTURE (RE)DEVELOPMENT

Beginning in 2021, the New Mexico Tourism Department (NMTD) began vetting tourism-related infrastructure projects that 1) were of priority to local governments, and 2) had potential to positively impact tourism regionally. These recommendations included over 100 tourism-related infrastructure projects totaling over \$300 million in project funding. Leveraging the technical expertise and relationships of the Council of Governments (COGs) with their local governments, NMTD partnered with these organizations to identify the tourism-related infrastructure priorities for each region. Twenty-four (24) of thirty-three (33) counties currently have projects underway. Additionally, all projects vetted through this process are within the State’s Infrastructure Capital Improvement Plan (ICIP).

The next iteration of these recommendations and projects is the Destination Forward Grant (DFG) Program which dedicates funding towards projects that specifically support tourism. Legislatively appropriated funds are available for this grant in FY27 **(to be confirmed following 2026 Legislative Session)**. Awards are competitive, so it is likely that requests for funding will exceed available funds.

The DFG Program will provide matching funding to tourism stakeholders within New Mexico to support the

development and/or redevelopment of viable tourism infrastructure that celebrates the authentic natural and cultural spirit of New Mexico.

The DFG Program can support and fund local governments and tourism-related entities in the public sector. NMTD encourages applicants from **both urban and rural areas** to apply.

### **WHAT IS DESTINATION DEVELOPMENT?**

Destination development is the intentional planning and investment in a destination's experiences, infrastructure, and community assets to enhance visitor appeal while improving quality of life access for residents.

### **WHAT DOES "VIABLE" MEAN?**

Viable destination development practices prioritize sustainability, community alignment, and long-term economic resilience by balancing visitor demand with resident quality of life. These practices focus on investing in authentic experiences, thoughtfully developed infrastructure, and workforce capacity while protecting cultural and natural resources. Successful practices are data-informed, locally driven, and adaptable to changing market and environmental conditions.

## WHAT QUALIFIES AS TOURISM INFRASTRUCTURE?

“*Tourism Infrastructure*” includes but is not limited to:

- Development of outdoor recreation infrastructure including:
  - language interpretation
  - trail development
  - connectivity
  - wayfinding
  - water recreation, etc.
- Recreational site improvements
- Signage and wayfinding to enhance the visitor experience
- Tourism attraction facilities:
  - restroom facility upgrades
  - ADA accessibility
  - systems upgrades and replacements
  - waste management
- Dark skies viewing areas
- (Re)development of historic assets, including:
  - museums
  - theaters
  - public spaces
  - historic locomotives
  - industrial districts
  - other cultural/historic assets and facilities
- Rehabilitation, maintenance, and conservation of cultural sites/Indigenous sacred sites/archaeological sites
- Bike, pedestrian, and equestrian transportation and other related developments
- Camping and RV-related accommodation
- Beautification and conservation:
  - sustainable park design and re-development
  - sustainable landscaping
  - wildlife refuges and rewilding areas
  - conservation education centers/information centers
- Fairgrounds, convention center/facilities, performance venues, and other event spaces and venues
- Public art
- Agritourism farms, food trails, or other related facilities
- Innovative (re)developments leveraging technology to showcase authentic New Mexican culture (and nature if applicable).
- Visitor information or attraction Kiosks (including but not limited to digital signage, wayfinding, interactive installations)
- Visitor information centers and their improvements
- Other tourism-related infrastructure, eligibility to be determined by the grant review committee

## DESTINATION FORWARD GOALS AND OBJECTIVES

The Destination Forward Grant aims to adhere to its commitments to communities and the environment by delivering on five (5) main goals and their objectives:

### **1. INCREASE VISITATION**

- 1.1. Increase sustainable visitation rates.
- 1.2. Increase repeat stays.
- 1.3. Increase extended stays.
- 1.4. Increase visitor spending at the destination.
- 1.5. Bring a visitor experience or service to market readiness.

### **2. IMPROVE OR ENHANCE THE VISITOR AND RESIDENT EXPERIENCE**

- 2.1. Increase positive reviews from tourists.
- 2.2. Increase positive reviews from residents and enhance community's quality of life via tourism (re)development.
- 2.3. Increase accessibility for residents and tourists.
- 2.4. Provide visitor-oriented services that are open for use to the public and not limited to private membership.
- 2.5. Ensure resident support for tourism development through collaboration.
- 2.6. Ensure cultural respect and sensitivity in tourism development.
- 2.7. Ensure high quality, diversity, and authenticity of interpretation to tourists.
- 2.8. Support legacy opportunities, including the enhancement of existing tourism infrastructure or new construction e.g., visitor facilities and attractions.

### **3. SPUR ECONOMIC GROWTH AND CAPACITY OPPORTUNITIES FOR RESIDENTS**

- 3.1. Increase capacity building efforts in tourism development at the destination.
- 3.2. Create tourism-related jobs.
- 3.3. Diversify the local tourism economy.
- 3.4. Expand the creative economy.

### **4. INCREASE NATIONAL AND GLOBAL RECOGNITION OF NEW MEXICO AS A SUSTAINABLE TOURISM DESTINATION**

- 4.1. Aid in destination recovery, emergency preparedness, and resiliency.
- 4.2. Diversify the wider, local economy.
- 4.3. Support a thriving tourism economy.
- 4.4. Increase visitor experience and/or services within a community or region.
- 4.5. Foster sustainable tourism development that ensures a balance between economic, social, cultural, and environmental values.
- 4.6. Measure, monitor, and/or assess tourism impacts and risks at the destination level across economic, social, cultural, and environmental assets.

- 4.7. Increase the competitiveness of New Mexican visitor experiences and services as well as the exposure of New Mexican communities, as desired by the communities.
- 4.8. Spur private sector investment in new and enhanced visitor experiences and services state-wide.
- 4.9. Create sustainable tourism jobs and economic activity in communities state-wide.

**5. INCREASE POSITIVE IMPACTS ON THE LOCAL ENVIRONMENT WHILE DECREASING NEGATIVE IMPACTS**

*(ALL PROJECTS REFERENCING GOAL 5 MUST REFERENCE AT LEAST ONE OTHER GOAL)*

- 5.1. Utilize green, ethically, responsibly, and sustainably sourced goods, materials, and labor for tourism (re)development.
- 5.2. Rehabilitate, restore, rewild, and/or revegetate any disturbed areas caused by the tourism infrastructure project with local, native species.
- 5.3. Ensure minimal disturbance to local, native wildlife, and flora/habitat in tourism (re)development.
- 5.4. Engage with local and Indigenous experts as well as other relevant experts and community stakeholders in the safeguarding of local biodiversity throughout the project's development and management.

## WHO CAN APPLY?

**ELIGIBLE APPLICANTS** must be based in New Mexico and include:

- Local governments, including Special Districts;
- Tribal governments;
- Municipalities; and
- Non-profit organizations must partner with a government entity to serve as their fiscal agent.

Fiscal agents and signatories must be authorized to sign agreements/contracts on behalf of the organization.

**ELIGIBLE PROJECTS** must be in New Mexico and must:

- Be “**shovel-ready**” – have completed the planning and design phase of the project and can begin construction in the near future.
- If not shovel-ready, projects must be “**shovel-worthy**” – have begun the planning and design phase of the project and have demonstrated the support from the local government to begin construction immediately upon completion of the planning and design phase of the project.
- Align with fund goals and objectives.
- Align with region’s economic/comprehensive or other regional development plan.
- Aim at funding destination development where the greatest needs exist.

## GRANT STRUCTURE AND REQUIREMENTS

For fiscal year 2027 (“FY27”), the Destination Forward Grant Program is updating its tiered program system. The new tiers for applications are as follows:

- Tier I: Ready Projects – up to \$50,000 (requires no match)
- Tier II: Growth Projects – \$50,000 to \$250,000
- Tier III: Signature Projects – \$250,000+

Technical Assistance will be available at any time in the application process.

### **GENERAL REQUIREMENTS:**

- Projects must be compliant with local zoning ordinances, protected areas, and cultural heritage.
- Applicants must demonstrate capacity for ongoing monitoring of the site, which is important for mitigating the risk of damage caused by the business’s products and activities.
- Funding for Destination Forward Grants must be expended, and the awarded project completed, within the two (2) fiscal years following the beginning of the award year. For the FY27 grant cycle, the delivery date is June 30, 2028.
- If awarded, the applicant must agree to report on the project’s progress and budget as outlined in the executed grant agreement.

### MATCH REQUIREMENT:

- Tier I projects do not require a match. Tier I Applications that can demonstrate any matching funding may be given preference.
- Projects should be able to match up to 5% of eligible expenditures for Capital Outlay Projects. Applicants must show proof of this ability by including either a “Resolution of Sponsorship” from a governing body, or an official, signed letter from the primary applicant and/or budget authority indicating the availability of the 5% match.
- Applicants that provide a match greater than 5% may be given preference. If unable to meet the 5% match requirement, an applicant may indicate their intention to apply for hardship (a “match waiver”) in their application.
- Projects should also:
  - generate value over a long period of time (10 years minimum);
  - provide long-term financial benefit and public access to the community; and
  - include long-term intangible and tangible assets and investments.

### INELIGIBLE EXPENDITURES:

- Operational expenses shall not be eligible for funding.
- Donated labor or staff time, as well as in-kind funds, cannot be counted as local matching funds.

## TIER I: READY PROJECTS – UP TO \$50,000

**TIER I** projects are initiatives that are sufficiently planned and prepared to begin implementation within the grant period. These projects address clearly defined needs, have minimal outstanding barriers, and advance destination readiness or visitor experience improvements. Eligible **TIER I** Projects may include, but are not limited to:

- Mapping, GIS, or wayfinding plans.
- Planning, feasibility, or strategic plans/reports.
- Architectural, engineering/design, and/or structural reports.
- Public easement and right of way, as well as other legal compliance documents.
- Other relevant environmental and zoning studies, plans, and reports necessary for the tourism- infrastructure project.
- Physical or digital signage that improves visitor navigation or interpretation.

**TIER I** projects **must**:

- Demonstrate that the proposed work supports tourism.
- Be at minimum “shovel-worthy” – have begun the planning and design phase of the project and have demonstrated the support from the local government to begin construction the moment the planning and design phase of the project is complete.
- Be completed within the given Fiscal Year (FY) or timeline identified in the grant agreement.
- Include a milestone timeline and itemized budget of the project in the application.
- Include recent letters of support and/or commitment from key stakeholders.
- Include quotes, signed agreements, or correspondence with contractors, firms, agencies etc. that will conduct on-site location mapping, planning, analysis, and assessment of socio-economic, socio-cultural, and environmental risks, impacts, and benefits.

## TIER II: GROWTH PROJECTS – \$50,000 TO \$250,000

**TIER II** projects should be of moderate scope and complexity that advance tourism infrastructure, visitor amenities, or destination enhancements beyond early planning phases. Applicants must demonstrate organizational capacity, project readiness, and the ability to manage funding and reporting requirements commensurate with the requested award.

**TIER II** eligible activities may include:

- Construction, renovation, or modernization of tourism infrastructure.
- Implementation of previously completed planning or design work.
- Expansion or enhancement of visitor services, amenities or experiences.

**TIER II** projects **must**:

- Demonstrate that the proposed work supports tourism.
- Be “shovel ready” – have completed the planning and design phase of the project and can begin construction in the near future.
- Be completed within the given Fiscal Year (FY) or timeline identified in the grant agreement.
- Include a milestone timeline and itemized budget of the project in the application.
- Include recent letters of support and/or commitment from key stakeholders.

- Funding connected with capital outlay/ ICIP project will be given award preference.
- Estimates of standard costs for construction and equipment that must be submitted along with the application include, but are not limited to:
  - Contractor fees
  - Subcontractor fees
  - Exterior shell
  - Interior buildout and finish
  - Plumbing
  - Electrical
  - Mechanical
  - Telecommunication systems
  - Site work costs
  - Contingency costs - usually 15%
  - Other relevant costs and estimates

### TIER III: SIGNATURE PROJECTS –\$250,000 AND ABOVE

**TIER III** projects support large-scale, high impact projects that significantly advance destination development at the regional or statewide level. These projects require enhanced review due to their scope, cost, and long-term implications. In addition to submitting a complete application, applicants requesting \$250,000 or more must deliver a virtual presentation to the review committee as a part of the evaluation process. The presentation allows applicants to demonstrate project readiness, clarify scope and budget, and respond to committee questions prior to final scoring and funding recommendations.

**TIER III** projects must:

- Demonstrate that the proposed work supports tourism.
- Be “shovel ready” – have completed the planning and design phase of the project and can begin construction in the near future.
- Project or phase of the project must be completed within 24 months of the start of the fiscal year (“FY”) awarded. This grant cycle is for FY27 starting on July 1, 2026.
- Include a milestone timeline and itemized budget of the project in the application.
- Include recent letters of support and/or commitment from key stakeholders.
- Funding connected with capital outlay/ ICIP project will be given award preference.
- Applications with proof of additional project funders will be given preference.
- Estimates of standard costs for construction and equipment that must be submitted along with the application include, but are not limited to:
  - Contractor fees
  - Subcontractor fees
  - Exterior shell
  - Interior buildout and finish
  - Plumbing
  - Electrical
  - Mechanical
  - Telecommunication systems
  - Site work costs
  - Contingency costs - usually 15%
  - Other relevant costs and estimates

# GRANT APPLICATION CHECKLIST

## STEP 1: AM I ELIGIBLE?

- The following steps will assist you in determining the eligibility of your project for Destination Forward Grant funding:
  - Conceptualize and identify an eligible tourism infrastructure project that aligns with the goals and objectives of the DFG.
  - Please note, not all goals and criteria listed may be applicable to your project, but your project should choose to deliver on at least one of the goals (two, if you are applying for Goal 5) and its objectives.
  - Identify any existing gaps and opportunities and engage further with key stakeholders/partners to hire a contractor, agency, engineer, archeologist, architect etc. to conduct necessary site assessments. A list of contractors, engineers and other industry-related agencies and experts, as well as their contact information, can be found in the [ICIP guidelines](#).
  - Gather all necessary letters of approval and support/commitment as well as relevant supporting documents based on the Tier/Sub-Tier you wish to apply for. You can find a list of necessary documents according to your tier in the guidelines above as well as on our website. You can also find additional, “**general requirements**” listed above.
    - **Optional:**
      - Include a benchmark/SWOT study of the project or of similar projects in another region/state/country.
      - Include any photos, news stories, media, branding, or marketing of your project or of a similar project.
      - Include a socio-economic and/or socio-cultural management plan.
      - Include an environmental management plan.
  - Rank your project on ICIP. Their guidelines can be found in the link above. Higher ranking projects will be prioritized. You may submit proof of current ICIP projects if you are in the process of updating/adding projects to the ICIP system.
- If awarded, the awardee must complete the “Preliminary Plan for Use of Funds” which will be agreed upon by both parties prior to beginning the project.

## STEP 2: HAVE I BEEN ACCEPTED AND APPROVED FOR FUNDING?

- If your application meets all program criteria, and there are appropriate funds available, you and your team of key stakeholders/partners will receive a Notification of Award for project implementation along with an Agreement letter which must be signed and dated by the project leader.
- **TIER II** and **TIER III** applications require a 5% match from an eligible fiscal agent with an official, signed letter or “Resolution of Sponsorship” indicating the 5% match availability. Applicants that are able to provide a greater match than 5% may be given preference. If unable to meet the 5% match, applicants may indicate their intention to apply for hardship (a “match waiver”) in their application.

## STEP 3: DO I NEED TO CONDUCT ANY PROJECT REPORTING AFTER BEING FUNDED?

- No, after successfully awarding the grant, no immediate reporting is required, all reporting requirements will be outlined in your grant agreement.
- NMTD reserves the right to conduct on-site assessments at any point of the grant cycle to

ensure that the project is meeting its goals and budget in a timely manner and to identify any gaps that might need further support.

- Once the project is complete, you must provide data-driven reports regarding the positive and negative impacts of the project across all levels (*i.e.*, social, cultural, economic, and environmental impacts) on an annual basis.
- Please include photos, media, press releases, etc. as further evidence of the project's impact.
- The awardee should adjust and manage the project over time as needed, especially regarding negative impacts at the destination. Awardees must include any adjustments and plans for improvement in the annual report.

## EVALUATION CRITERIA

Your DFG application will be scored based on the following criteria:

- **Eligibility.** Review the list of general requirements, as well as eligible applicants, projects, and expenditures in the guidelines above and identify all areas your project complies.
- **Your narrative.** In your project summary, this is your chance to shine and provide as many specifics as possible about what has been done, what is happening now and what will be done in the future concerning your infrastructure project. How do you and your project stand out? What are the “needs” that will be met with this funding vs. the “wants” - what is the relative community impact over the long-term?
- **Project readiness aka “shovel-readiness or shovel-worthiness”.** Projects will be scored heavily on how soon applicants are able to begin their projects. Include an up-to-date timeline of milestones in your application.
  - Quality and quantity of supporting documents. Be sure to include up to date (no older than 6 months or than the previous FY, whichever comes first) supporting documents, which may include:
    - Proof of eligibility (e.g., W9, W9 substitution, Resolution of Sponsorship, etc.)
    - Letters of support, approval, and/or commitment to your project from key stakeholders.
    - Proof of compliance with regulations, zoning permits, approvals etc. from the relevant authority, which will be verified as part of your application, plus engineering, structural, and archaeological reports, studies, and maps of the site area. (This criterion is especially applicable to **TIER II** applicants who must demonstrate they have completed **TIER I** or similar requirements).
    - Any relevant economic, social, cultural, and/or environmental plans as well as business and community action plans that have already been made and/or any indication of future plans according to your Tier/Sub-Tier.
    - Any and all data collected regarding the impacts of tourism and the project on the area.
- **Sustainability.** Your application must show the sustainability of the project across all levels (i.e., economic, social, cultural, environmental impacts).
- **Quality of itemized budget.** Your application must include an itemized budget detailing what you wish to have funded through the DFG and which of the goals and objectives these items aim to address. The more specific and itemized, the better. (Please see a list of our goals in “**Purpose**” above).
- **Consideration.** To be considered, applications must be complete, must include all required documents, and must be submitted through the online portal by the posted deadline.
- **\*\*Projects that are included on the [ICIP Dashboard](#) will be given additional preference. Please contact your local Council of Government (COG) representative for more info.** \*\* You may submit proof of current ICIP projects if you are in the process of updating/adding projects to the ICIP system.

The following evaluation matrix can be used as a tool for you to ensure that your project application is complete and competitive before submission.

## DESTINATION FORWARD GRANT EVALUATION MATRIX

<b><u>Scoring Criteria</u></b>	<b><u>Weight</u></b> (out of 100%)
<b>Initial Eligibility</b> <ul style="list-style-type: none"> <li>• Both the applicant and project must be eligible according to guidelines and its various conditions and tiers</li> <li>• Project must be located in New Mexico</li> <li>• Project must support the tourism sector</li> </ul>	<b>Required to move forward in review process</b>
<b>Meets DFG Goals and Objectives – See Full List in Guidelines</b> <ul style="list-style-type: none"> <li>• <u>Goal 1</u>: Increase visitation</li> <li>• <u>Goal 2</u>: Improve or enhance the visitor and resident experience</li> <li>• <u>Goal 3</u>: Spur economic growth and capacity opportunities for residents</li> <li>• <u>Goal 4</u>: Increase national and global recognition of New Mexico as a Sustainable Tourism destination</li> <li>• <u>Goal 5</u>: Increase positive impacts on the local environment while decreasing negative impacts</li> </ul>	<b>35%</b>
<b>Innovative Approach to Partnership and Community Building</b> <ul style="list-style-type: none"> <li>• <i>Evidence of multiple funding sources for the project</i></li> <li>• Evidence of strong community support</li> <li>• Evidence of innovative partnerships and collaboration</li> </ul>	<b>30%</b>
<b>Organizational Capacity/ “Shovel-Readiness or Shovel-Worthiness”</b> <ul style="list-style-type: none"> <li>• Evidence of previous and current experience in completing projects on time and within budget</li> <li>• Evidence of previous project planning engagement and completion with NMTD, ICIP or similar</li> <li>• Evidence that the applying organization has necessary documents, resources, and capacities to undertake and complete the project being applied for</li> <li>• Evidence of legal compliance, financial reliability, strong partnerships, team governance, key stakeholders in tourism and other industries, as well as other relevant information will be evaluated</li> </ul>	<b>20%</b>
<b>Measuring and Reporting Success and Sustainability</b> <ul style="list-style-type: none"> <li>• Evidence of appropriate, reliable, accurate and precise measurements of short-term and long-term impacts at the destination including adjustments and management of said impacts over time</li> </ul>	<b>15%</b>