

# Elon Musk's SpaceX Signs Lease at NM Spaceport

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ALBUQUERQUE, N.M. (AP) — Another space industry heavyweight has signed on to use New Mexico's Spaceport America — Elon Musk's Space Exploration Technologies Corp., or SpaceX, Gov. Susana Martinez announced Tuesday.

It agreed to a three-year lease to do testing of its "Grasshopper" reusable rocket in southern New Mexico.

SpaceX is one of the leading developers of rockets and spacecraft and is one of the companies the \$209 million taxpayer-built spaceport project has been trying to recruit.

"We've done a lot of work to level the playing field so we can compete in the space industry," Martinez said in a statement. "This is just the first step in broadening the base out at the Spaceport and securing even more tenants. I'm proud to welcome SpaceX to New Mexico."

Spaceport America Executive Director Christine Anderson said the Grasshopper project is moving from McGregor, Texas, to New Mexico because the rocket needs to be tested at higher altitudes. The reusable rocket could revolutionize the commercial space industry by greatly reducing costs, she said. Traditional rockets burn up on re-entry.

Officials said they were unsure how many jobs would be located in New Mexico. SpaceX employs more than 3,000 in California, Texas, Washington, D.C., and Florida, according to a news release. Richard Branson's space tourism company, Virgin Galactic LLC, is the anchor tenant at the spaceport.

Also on Tuesday, Virgin Galactic announced that it has hired two new pilots as the testing moves into the final stages for its spacecraft for taking tourists into space at \$200,000 a head.

Anderson called the dual announcements "great milestones" for the spaceport,

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which has struggled to attract other businesses. Earlier this year, lawmakers approved legislation to limit liability lawsuits for the industry in an effort to be more competitive.

Virgin Galactic last year publicly expressed concerns about the state's inability to attract more businesses to the project and had hinted it could leave if lawmakers refused for a third year in a row to expand liability exemptions for the commercial space industry.

Anderson said SpaceX will be paying \$6,600 a month to lease a mobile mission control facility and will pay the state \$25,000 per launch.

Virgin Galactic started paying rent of \$1 million a year this year. The rest of its fees are based on the number of flights and passengers it launches into space, although there are minimum flight payment requirements.

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