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#### Southwest New Mexico Council of Governments

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## WELCOME to SWNMCOG



**The Southwest New Mexico Council of Governments** (SWNMCOG) is one of seven planning districts with in the State of New Mexico and was incorporated in 1969. The SWNMCOG region includes Catron, Grant, Hidalgo, and Luna counties along with the nine municipalities, numerous profits, special districts including water associations, soil ar water conservation districts, and school districts. The Southwest New Mexico Council of Governments provide regional planning services in legislative assistance, transportation, housing, economic development, business development and expansion lending, infrastructure development, regional water planning, state-grant-in-aid program, workforce development, car planning, project management, grant services. The SWNMCOG receives a modest yet invaluable planning grant from the United States Department of Commerce's Economic Development Administration (EDA). The SWNMCOG uses this essential seed financing to work with local and regional partners to develop and implement the Comprehensive Development Strategies (CEDS), a living document that is update annually, to address specific opportunities and challenges in the region. EDA has helped the SWNMCOG with job creation and expansion, disaster recovery, and feasibility studies for decades. Specifically EDA has invested in Grant County's Convention and Business Center, Grant County Economic Development Master Plan, and Grant County's Economic Adjustment Plan.

#### I. GOAL

The goal of the CEDS and the Interim Legislative Jobs Council is to accelerate job creation and economic mobility through innovative economic development to help the region reach its full potential. The CEDS is a strategy-driven plan for regional economic development, designed to build capacity and guide the economic prosperity and resiliency of a region. It is a key component in establishing and maintaining a robust economic ecosystem by helping to build regional capacity that contributes to individuals, organizations, local governments, institutes of learning, and private industry success. The CEDS should consider, where appropriate, integrate, or leverage other regional planning efforts, including the use of other available federal funds, private sector resources, and state support which can advance a region's CEDS goals and objectives.

#### II. METHODOLOGY

Efforts that help inform the 2015-2020 CEDS document were the Interim New Mexico Legislative Jobs Council work (See Appendix 2) and several regional meetings held by the Southwest New Mexico Council of Governments.

#### III. ACTION PLAN

The 2015-2020 Comprehensive Economic Development Strategies has two parts. The first is a general economic development framework; the second is regional target industry. The second part of the CEDS includes strategies and measures to reach the target industries along with the key partners.



### **Demographics**

Population Change 1990-2015								
County	April 1990	April 2000 (Census)	April 2010 (Census)	April 2015	Rate of Change			
Catron	2,563	3,543	3,725	3,456	(0.9%)			
Grant	27,676	31,002	29,514	28,609	(4.8%)			
Hidalgo	5,958	5,932	4,894	4,423	(0.9%)			
Luna	18,110	25,016	25,095	24,518	(0.98%)			

<sup>\*</sup>Source University of New Mexico, Bureau of Business and Economic Research

Population and Poverty Rate											
	201	0	2011	2011		2012		2013		2015	
County	<u>Population</u>	<u>Poverty</u>	<u>Population</u>	<u>Povert</u>	<u>Populatio</u>	<u>Povert</u>	<u>Populatio</u>	<u>Poverty</u>	<u>Populatio</u>	<u>Povert</u>	
				У	<u>n</u>	у	<u>n</u>		<u>n</u>	у	
Catron	3,725	15.3%	3,714	15.0%	3,652	18.8%	3,592	19.7%	3,456	23%	
Grant	29,514	14.8%	29,385	16.6%	29,339	18.4%	29,310	20.2%	28,609	20%	
Hidalgo	4,894	22.6%	4,851	23.7%	4,844	22.5%	4,789	24.3%	4,423	25%	
Luna	25,095	32.8%	25,147	30.8%	25,019	29.7%	24,778	29.7%	24,518	30%	

<sup>\*</sup>Source University of New Mexico, Bureau of Business and Economic Research

Projected Population Growth for New Mexico Counties 2010-2040									
County	2010	2015	2020	2025	2030	2035	2040	Rate of Change	
New Mexico	2,065,826	2,208,450	2,331,724	2,487,227	2,613,332	2,727,118	2,827,692	36.9%	
Catron	3,725	3,825	3,909	3,976	4,000	4,005	4,012	7.7%	
Grant	29,371	29,417	29,457	29,433	29,310	29,166	29,102	(0.9%)	
Hidalgo	4,894	4,857	4,818	4,764	4,671	4,546	4,545	(7.1%)	
Luna	25,095	26,478	28,024	29,694	31,465	33,399	35,595	41.8%	

<sup>\*</sup>Source: University of New Mexico, Bureau of Business and Economic Research

Weekly Wage								
County	Weekly Wage	Average per Hour	Per Year					
New Mexico	\$813	\$20.33	\$42,276					
Catron	\$597	\$14.93	\$31,044					
Grant	\$775	\$19.38	\$40,300					
Hidalgo	\$689	\$17.23	\$35,828					
Luna	\$626	\$15.65	\$30,552					

<sup>\*</sup>Source: www.dws.state.nm.us Wages are assuming 40-hour week worked year round; 2<sup>nd</sup> quarter 2016.

Labor Force-Employment and Unemployment								
County	Labor Force	Employed	Unemployed	Unemployment Rate				
New Mexico	933,817	874,169	59,648	6.4%				
Catron	1,193	1,090	103	8.6%				
Grant	12,500	11,697	803	6.4%				
Hidalgo	2,125	2,018	107	5.0%				
Luna	9,795	8,274	1,521	15.5%				

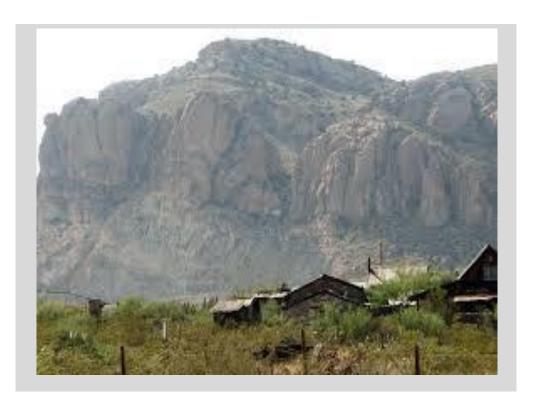
<sup>\*</sup>Source: www.dws.state.nm.us March 2016

Educational Attainment vs. Number of Job Openings										
	New M	lexico	Catron	Catron County		Grant County		Hidalgo County		County
Minimum Education Level	Potential Candidate	Job Opening								
High School Diploma/ Equivalent	15,742	2,633	1,686	N/A	2,088	20	1,742	1	2,265	3
Vocational Certificate	2,896	67	377	1	424	N/A	384	1	428	N/A
Associate's Degree	3,272	766	381	N/A	443	1	388	1	439	2
Bachelor's Degree	3,677	1,453	517	1	592	6	525	N/A	573	13
Master's Degree	1,175	204	240	N/A	266	7	247	N/A	267	N/A
Doctorate Degree	175	163	50	N/A	54	N/A	50	N/A	54	N/A
Specialized Degree (M.D. DDS)	130	24	24	N/A	30	N/A	24	N/A	27	N/A

<sup>\*</sup>Job openings are the number of job openings on the NM Workforce Solutions website www.dws.state.nm.us January 2017

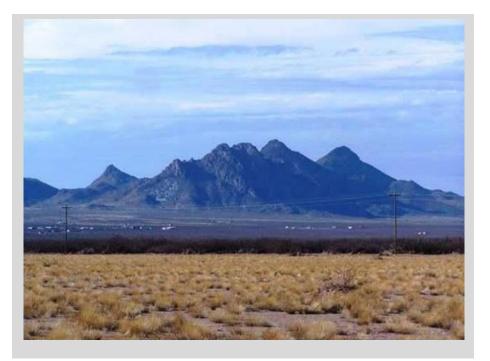
	District Enrollment and Drop-out Rate									
	2009	)	2010	2010		2011		2012		5
<u>District</u>	<u>Enrollment</u>	<u>Drop</u>	<u>Enrollmen</u>	<u>Drop</u>	<u>Enrollmen</u>	<u>Drop</u>	<u>Enrollmen</u>	<u>Drop</u>	<u>Enrolment</u>	<u>Drop</u>
		<u>Rate</u>	<u>t</u>	<u>Rate</u>	<u>t</u>	<u>Rate</u>	<u>t</u>	<u>Rate</u>		<u>Rate</u>
Animas Schools	263	2.7%	152	0%	244	0%	226	0.8%	70	0.0%
Cobre Schools	1,448	3.6%	1,434	1.0%	1,427	2.0%	1,357	1.6%	546	1.1%
Deming Schools	5,366	3.9%	5,222	7.1%	5,360	5.8%	5,402	3.5%	2,432	4.5%
Lordsburg Schools	647	3.6%	598	4.1%	561	4.5%	515	5.0%	199	2.0%
Quemado Schools	184	0%	188	2.2%	159	2.4%	152	3.9%	64	1.6%
Reserve Schools	164	1.1%	166	1.3%	152	1.2%	149	16.4%	61	8.2%
Silver Schools	3,159	2.9%	3,047	1.7%	2,997	1.6%	3,008	1.4%	1,366	1.3%

<sup>\*</sup>Source: www.ped.state.nm.us Enrollment=Total District Enrollment; Drop-out Rate=Middle and High Schools









### Part I: General Economic Development Framework

## **SWOT Analysis**

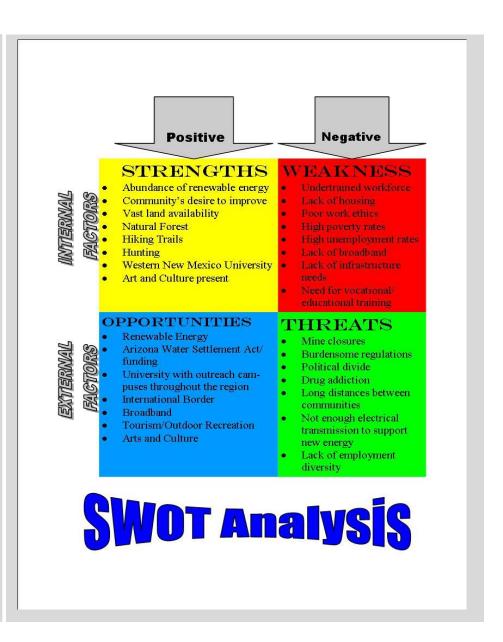
Southwest New Mexico Council of Government's regional strengths include broad open spaces that have an abundance of opportunity for renewable energy projects; access to National forest and parks that bring outdoor activities including: hiking, hunting, birding, and sightseeing; communities are accepting of visitors and new ideas to improve the quality of place; access to a university that has two satellite campuses in the region; diversity in art and culture that is present throughout the entire region.

Weaknesses that are present in the region: there is an undertrained workforce; lack of housing, there is a presence of poor work ethics, high poverty and unemployment rates, lack of broadband, infrastructure and access to capital. There is also a concern that New Mexico is not a Right to Work State.

Opportunities that southwest New Mexico has is that there is an International Border that has the potential to bring the region prosperity; WNMU is open to changing their programs throughout the region to meet the workforce needs; artisans can capitalize with their passion of creation; and there is high speed broadband line that runs through the counties of Hidalgo and Luna.

Threats that are not new to the region is mine closures and the lack of employment diversity, political divide, high drug addiction rates, long distance between communities, not enough energy transmission to support traditional or alternative energy.

Even though southwest New Mexico is rural to remotely rural there are many assets that small and large businesses can prosper from. The region's focus is growing small business and recruiting and retaining young families to enhance the quality of place and the uniqueness of many of our small communities that the Southwest New Mexico Council of Governments represents.

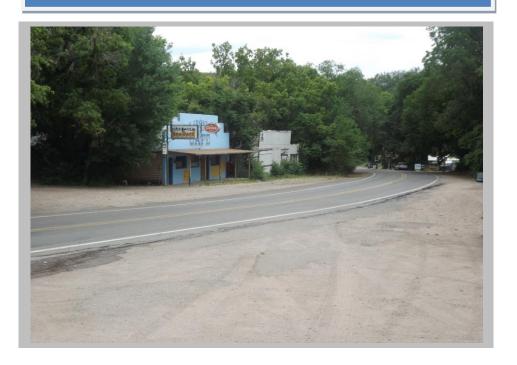


### **Top 10 Priority Strategies**

- 1. Position the Southwest New Mexico Council of Governments to act as the central coordinating body for economic development activities throughout the region, working with counties, municipalities, and special districts to collaborate and coordinate efforts to meet the goal and objectives in the CEDS.
- 2. Implement a formalized Business, Retention, and Expansion program that provides outreach to the region's existing businesses.
- 3. Facilitate the establishment of tax increment financing zones in all incorporated community's downtowns and identify additional finding streams for downtown infrastructure improvements.
- 4. Help the movement of the development of industrial parks throughout the region to capitalize on opportunities associated with the region's renewable energy potential as well as the existing agricultural and mining industries.
- 5. Implement "pop-up" and/or virtual business incubator to help the creation of small business throughout the region.
- 6. Align the region's workforce development programs and educational institutions to address the unmet workforce needs with the region's target industries.
- 7. Develop and/or promote organizations meant to encourage the role of young entrepreneurs and executives within the business community.
- 8. Facilitate the creation and implementation of a more aggressive and targeted incentive program that is publicized, quantified, and tied to the regions target industries.
- Facilitate the region becoming the only designated Regional Immigrant Investment Center in New Mexico through the EB-5 Immigrant Investor Pilot program.
- 10. Develop a marketing and branding strategy for southwest New Mexico.

"There is never enough time to do everything but there is always enough time to do the most important thing."

-Brian Tracy



#### **Improve Infrastructure and Quality of Place**

- Develop/improve/expand multi-use trails
- Creation/improvements to industrial parks throughout region
- Create regional water and wastewater systems
- Improving local, county, and State roads multi-modal accessible
- Expand/increase the capacity and availability of energy transmission lines
- Increase renewable energy use commercially and residentially throughout region
- Expand availability of broadband access
- Develop broadband-based job training programs and centers
- Creation of "specialized" healthcare facilities
- Increase access to pharmacies
- Increase affordable and senior housing throughout region
- Encourage housing rehabilitation and weatherization to improve sub-standard housing

#### **Maintain and Improve Natural Resources**

- Maintain/expand connectivity of trails throughout the region including Continental Divide Trail
- Protect the watersheds
- Maintain/protect wilderness areas
- Maintain access and protect National forests
- Create/support regional conservation practices

#### **International Border**

- Support improvements at the border crossing of Columbus and Antelope Wells
- Expand access to rail and other logistics for businesses throughout the region to increase international trade opportunities
- Support Foreign Trade Zones at border crossing of Columbus and Antelope Wells

#### **Small Business and Entrepreneurship**

- Encourage the region's populous to support local businesses
- Provide business accelerators to help entrepreneurs and encourage small business startups
- Create an awareness of business support systems such as SBDC,
  NM Workforce, WESST, Accion, etc.
- Create a co-work environment for entrepreneurs to network
- Create local incentives for small businesses throughout region

#### **Education and Talent Supply**

- Encourage entrepreneurships in secondary and higher education
- Develop vocational education/training throughout region
- Create career paths for all student college bound or vocational training
- Allow autonomy to collaborate curriculum per grade level
- Retain arts and physical education within schools
- Attract/retain specialized doctors throughout region
- Re-evaluate the evaluation of teachers and schools
- Provide adequate funding for classrooms
- Promote apprenticeships through both Department of Labor and on-the-job training
- Create/promote train the "trainer/boss" programs
- Increase collaboration between school districts and WNMU/other universities for vocational training programs
- Create a requirement for a community service project for all High School Diplomas
- Provide employers a model for workforce/employer relationships
- Increase communities' amenities
- Encourage collaboration among businesses to share workforce talent

## Part II: Specific Strategic Action

Agriculture and local foods °

Arts, Film, and entertainment ° Energy ° Health and

Social services ° Hospitality, Tourism, and

Recreation of Manufacturing and logistics of Natural

Resources and Mining of Small Business and

entrepreneurship







#### Agriculture and Local Foods

#### Niches: Entrepreneurial Farmers; Local Produce Sales; Value-Added Products

#### **Strategies:**

Facilitate connections between farmers/local food producers and restaurants, schools, food trucks, and grocery stores.

Cultivate a culture of food entrepreneurship.

Increase awareness of lending capital by facilitating access to micro-lenders and federal agencies, Accion, WESST, NM Loan Fund, USDA.

Support farm and ranching apprenticeships on public lands.

Increase number and access to commercial kitchen for food preparation and value-added company development.

#### **Kev Partners:**

NMSU's Cooperative Extension, Southwest New Mexico Regional Food Policy Council, NM Food and Agriculture Policy Council, NM Farmer's Market Association, Local School Districts and WNMU

#### **Measures:**

An increase in the number of local food-based companies

An increase in the number of food trucks, restaurants, and valueadded products sourcing from local farmers

An increase in agriculture production on public lands





#### Arts, Film, and Entertainment

Niches: Photography, Digital Media, Artisan Manufacturing, Fine Arts, Culinary Arts, Music

#### Strategies:

Increase funding for economic development bringing awareness to southwest New Mexico.

Continue film incentives, making filming in New Mexico competitive to other states.

Support creative economy endeavors and accelerators.

Develop a co-work for artisans, business students, and other professionals to encourage creative start-ups.

Make improvements in the quality of education, particularly in STEAM disciplines.

#### **Key Partners:**

NM Film Office, WNMU, Mimbres Arts Council, Silver City Arts and Cultural District, Silver City Art Gallery Association, Deming Arts Center

#### Measures:

Increased number of films in southwest New Mexico

An increase of creative economy businesses throughout the region

An increase of artisan and cultural events helping the regional economy

#### Energy

#### Niches: Solar; Geothermal; Wind; Biomass; Energy Efficiency; Energy Transmission

#### **Strategies:**

Support the creation of Southline and Sun Zia transmission lines.

Create utility corridors to deter negative public outlook.

Educate the general public and local businesses of the benefits of renewable energy.

Support the environmental assessments for the placement of new transmission lines.

Educate the general public on energy conservation practices.

Adopt policies that encourage "green" construction that include incentives.

Support the usage of passive "green energy" from residential and commercial levels.

#### **Key Partners:**

Public Service Company of New Mexico, Columbus, Duncan, and NavoApache Electric Co-Ops, NM Solar Energy Association, Renewable Energy Industries Association, Sun Zia, Southline, CRYC Energy

#### Measures:

Increase the number of energy companies.

Increase the number of transmission lines.

Increase the number of energy projects coming online.





#### Health and Social Services

Niches: Telemedicine, Health Care Providers, Addiction Treatment Centers, Mental Health Facilities

#### Strategies:

Support increased broadband infrastructure in very rural area to enable telemedicine communications.

Expand health care degrees at Western New Mexico University.

Support home health care for new mothers, sick or injured children and seniors.

Support health care vocational training within the school districts.

Improve the quality of life so health care staff, especially specialized doctors, want to stay and live in the region.

#### **Key Partners:**

School Districts, WNMU, New Mexico Workforce Connections, Hidalgo Medical Services, Gila Regional Medical Center, Mimbres Memorial Medical Center

#### Measures:

Increase of health care workers.

Increase of telemedicine in frontier areas.

Increase of dual-credit in health care fields.









#### Hospitality, Tourism, and Recreation

Niches: Historical and Cultural Tourism; Outdoor Recreation and Events; Ecotourism; Agritourism; Adventure Tourism: Conventions

#### Strategies:

Increase community pride so residents are advocates of the region.

Support conventions and meetings at conference center throughout the region.

Increase marketing efforts for the creative and cultural events.

Improve transportation efforts throughout the region.

#### **Key Partners:**

MainStreet organizations, Arts and Cultural District, Hotel and restaurant owners, and New Mexico Economic Development Department

#### Measures:

Increase in direct hospitality jobs.

Increase in-direct and direct revenue from visitor related activities.

Increase of hospitality type businesses.

Increase in hotel stays.





#### Manufacturing and Logistics

Niches: Manufacturing and/Assembly of Electronics, Energy Components, Environmental Technologies, Transportation by Rail, Air, or Truck, and Storage

#### Strategies:

Develop a logistics hub near the Columbus Port of Entry.

Capitalize on the rail infrastructure in region and increase commercial rail activities.

Increase recruitment efforts of manufacturing or logistic companies to the region.

Encourage the expansion of programs for existing business in the region.

#### **Key Partners:**

Deming Luna County Economic Development Corporation, New Mexico Economic Development Department and Workforce Connection, Union Pacific, Public Service Company of New Mexico, Deming Public Schools, New Mexico Partnership, New Mexico Gas Company

#### Measures:

An increase of new manufacturing companies

An increase in companies utilizing JTIP funds

A public/private logistics facility

A decrease in unemployment rates throughout region

#### Natural Resources and Mining

Niches: Mining Support Products and Services. Mining Research and Development

#### **Strategies:**

Maintain/Expand connectivity of trails throughout the region.

Advertise region's trails, national parks and forests, and other tourist destinations.

Access and protection of National Forests

Use known research to develop biomass product from forest.

Facilitate environmental education such as illegal dumping, waste, and fire.

Support efforts of local school district and WNMU to educate students about mining industry.

#### **Key Partners:**

US Forest Service, National Parks Service, NM Department of Transportation, Soil and Water Conservation Districts, Freeport McMoRan, Local School Districts and WNMU

#### Measures:

Increase recreational use of national parks, lakes, and other tourist destinations such as Catwalk and Cliff Dwellings.

Increase and diversify the outdoor events throughout the region.

Increase the mining research and development efforts in the region.





#### Small Business and Entrepreneurship

Niches: Small Business Start-ups; Solo-Workers; Applied Technology; Internet-Based Commerce; Business Accelerators and Incubators, Maker Spaces

#### Strategies:

Provide a public/private business accelerator and/or cowork environment to encourage entrepreneurship.

Encourage entrepreneurship in secondary and higher education.

Create incentives for small businesses in rural communities.

Work with SBDC, NMEDD, and local chambers and EDOs to start a Business Retention and Expansion program.

Increase awareness of lending micro lenders, Accion, WESST, NM Loan Fund, etc.

Support UNM/WNMU Makers Space initiative.

#### **Key Partners:**

Small Business Development Center, Chamber of Commerce, New Mexico Economic Development Department, University of New Mexico, Western New Mexico University

#### Measures:

Increased number of start-up businesses

Hold at least one entrepreneur event such as Start-up Weekend a year

Grow the Marker Space initiative

Hold local/region entrepreneurial trainings throughout the year





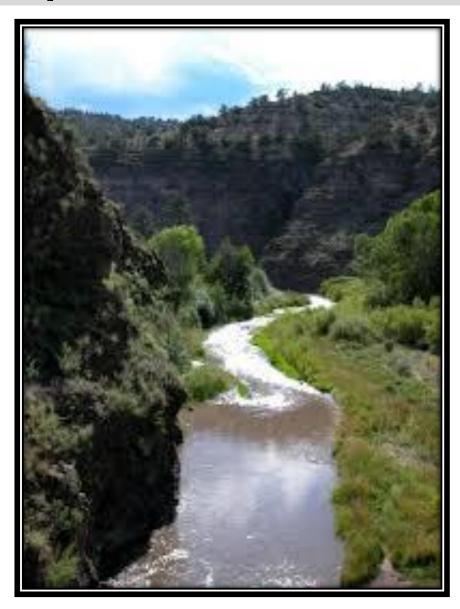


According to the Community and Regional Resilience Institute, Community resilience is defined as, the capability to anticipate risk, limit impact, and bounce back rapidly through survival, adaptability, evolution, and growth in the face of turbulent change.

In order for southwest New Mexico to become more resilient towards the downturns of the mining industry or other seasonal work, natural disasters, drought, and layoffs in other sectors especially, health care, the region must start to diversify the economy by support the growth of small business, new industry, and the recruitment of millennial.

The Southwest New Mexico Council of Governments with the help of partnering agencies such as Chamber of Commerce, Small Business Development Center, New Mexico Economic Development Department, New Mexico Workforce Connections, Deming Luna County Economic Development Corporation, Luna County Economic Development, and local governments have begun to hold quarterly Business Expos and Job Fairs, and begun to look at the assets of the quality of life throughout the region to entice new industry and millennial to live, work, and play in southwest New Mexico.

# Special Thanks to:



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## Appendices



