

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

2022-2027

SOUTH CENTRAL COUNCIL OF GOVERNMENTS

New Mexico Planning and Development District 7

ADOPTED JUNE 24, 2022





A PLAN FOR RESILIENCE & RECOVERY.

The Comprehensive Economic Development Strategy (CEDS) for New Mexico Planning and Development District 7 is a roadmap to diversify and strengthen our regional economy. This CEDS brought together the public and private sectors in a three-county area through a broadly inclusive process to analyze the regional economy and establish regional goals and action plans.

This CEDS is a resilience strategy for our region. By accomplishing the goals herein, our region will recover quickly from natural and economic difficulties in the future. As we emerge from the COVID-19 pandemic, our region is poised for economic growth.

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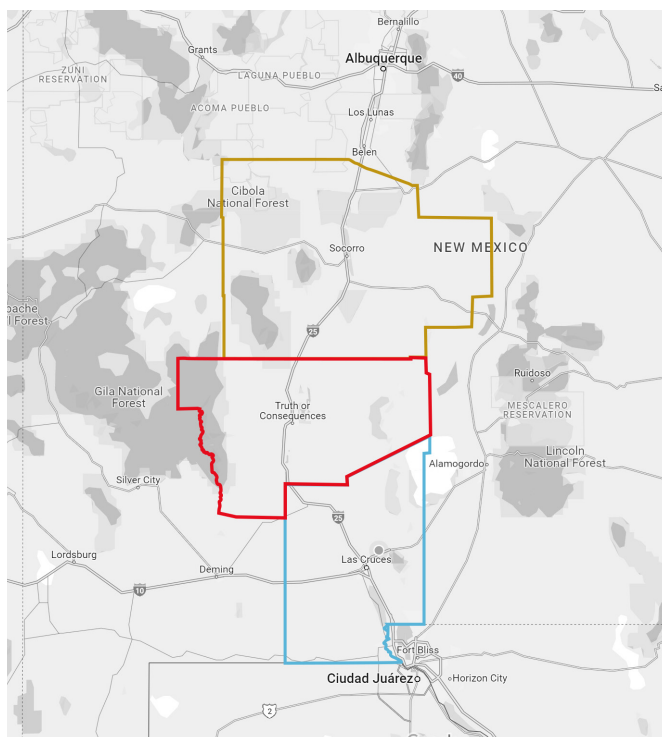
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REGION AT A GLANCE

LOCATION

New Mexico Planning and Development District 7 comprises Sierra, Socorro, and Doña Ana counties (the “region”). Our region extends 14,699 square miles down the center of New Mexico from the middle of the state to its southern border with Mexico and Texas.

Our region is approximately 250 miles east of Tucson, Arizona along Interstate 10 (I-10) and approximately 40 miles south of Albuquerque, New Mexico along Interstate 25 (I-25). The southern end of our region borders Chihuahua, Mexico and El Paso, Texas and contains an international Port of Entry at Santa Teresa. The El Paso, Texas/Ciudad Juarez, Mexico region is one of the largest metro areas on the U.S./Mexico border with over 2.5 million residents.



- SOCORRO COUNTY
- SIERRA COUNTY
- DOÑA ANA COUNTY

GEOGRAPHY

The center of our region contains the fertile Rio Grande valley. Our region is located in the high desert and ranges from over 3,000 feet above sea level in the river valley to over 10,000 feet above sea level at mountain peaks. On the east side of the river valley are the Oscura Mountains, San Andres Mountains and the Organ Mountains. On the west side are the Magdalena Mountains and the Black Range.

CLIMATE

Our region, located in the Chihuahuan Desert, has a sunny arid climate. We have over 300 days of clear blue skies each year. The windy season comes in the spring and the yearly monsoon season lasts from July through September, bringing afternoon thunderstorms. Average yearly rainfall for our region is approximately 10 inches. However, recent years have seen drought conditions. Wintertime temperatures generally reach the mid to upper 50s (Fahrenheit) during the day and fall to the lower to mid-20s at night. In the summer, daytime highs average in the mid-90s with nighttime lows in the mid to upper 60s.

TRANSPORTATION

I-25 runs north and south through New Mexico Planning & Development District 7 and connects with I-10 south of Las Cruces. I-10 enters the state on the west from Arizona and continues through New Mexico south to the Texas border. Highway 70 also runs through our region from Las Cruces to the east. Union Pacific Railroad operates a multi-modal ramp in the Santa Teresa area of Doña Ana County. BNSF lines run through our region as well. Transit options are also provided in Doña Ana County by Roadrunner Transit, the South Central Regional Transit District (SCRTD), and the New Mexico Department of Transportation (NMDOT).

PEOPLE

Doña Ana County is the most populous county in our region with the highest median household income. All counties in our region have a lower median household income and higher percent of people living below the poverty level than the state as a whole.

CULTURE

Our region is friendly, laid back, and multicultural. Our cuisine features our region's red and green chile. We enjoy local festivals such as the Hatch Chile Festival, county fairs with 4H exhibits, and wine festivals showcasing wines from our region's vineyards. Our dramatic desert and mountain scenery provides a backdrop for relaxing motorcycle rides along back roads and all forms of outdoor recreation. Spring and fall provide a great climate for strolling through our historic plazas and downtowns. During our hot summers we enjoy boating and fishing in Elephant Butte Lake and floating down the Rio Grande.

HOUSING

Our region has a total of 105,759 housing units, 85% of which are occupied. Out of the total housing units in our region, 4.5% are for seasonal, recreational, or occasional use. However, the breakdown between the counties in our region is striking. Doña Ana County has only 1.8% of housing units for seasonal, recreational or occasional use while Sierra County and Socorro County have higher percentages at 18.5% and 19.3%, respectively.

Source: U.S. Census Bureau, 2015–2019 American Community Survey, Tables DP04 and B25004.

EDUCATIONAL FACILITIES

Our region is home to two major universities. New Mexico State University (NMSU) has a main campus in the City of Las Cruces as well as Doña Ana Community College branches throughout Doña Ana County. NMSU serves over 21,000 students. It is a land grant university, a NASA Space Grant College,



and a Hispanic-serving institution. It offers a broad range of majors and degrees. New Mexico Institute of Mining and Technology (New Mexico Tech) is located in the City of Socorro and serves over 1,800 students. It offers outstanding preparation in science, engineering, and technology related fields. Both New Mexico State University and New Mexico Tech offer undergraduate and graduate degrees. New Mexico State University offers certificates, licensure programs and associate degrees as well.

OPPORTUNITY ZONES

Our region contains three of New Mexico's Opportunity Zones. Opportunity Zones offer incentives to invest in low income communities. Two Opportunity Zones are located in Doña Ana County and one is located in Sierra County. New Mexico FUNDIT provides a comprehensive map of the state's Opportunity Zones and projects.

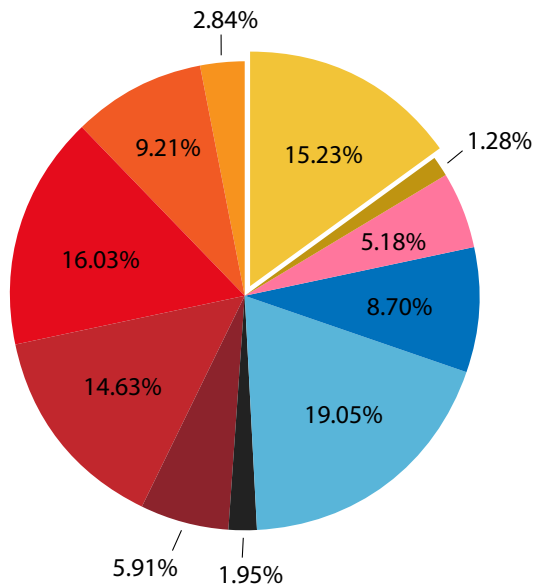
Source: New Mexico FUNDIT. <https://nmfundit.org/opportunity-zones/>.

GOVERNMENT EMPLOYMENT

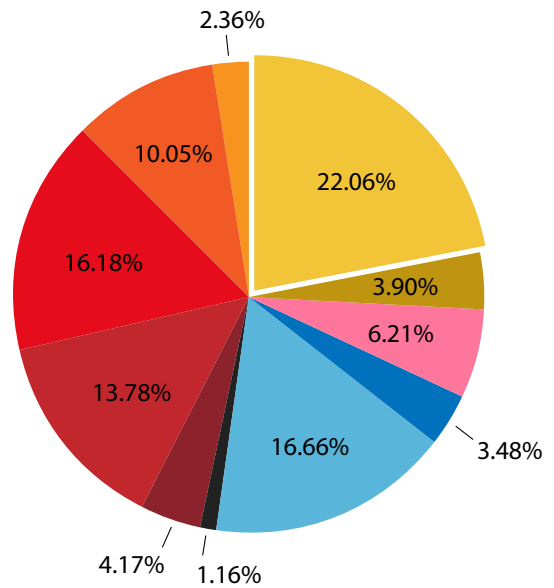
Our region relies heavily on government employment.

Our reliance on government employment leaves our region vulnerable to cuts in government spending.

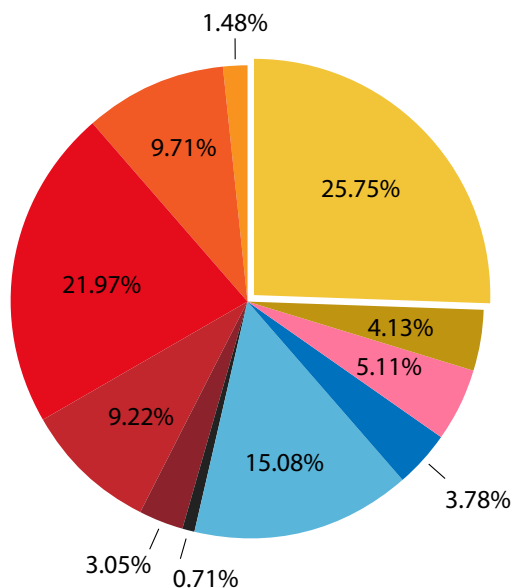
UNITED STATES



NEW MEXICO



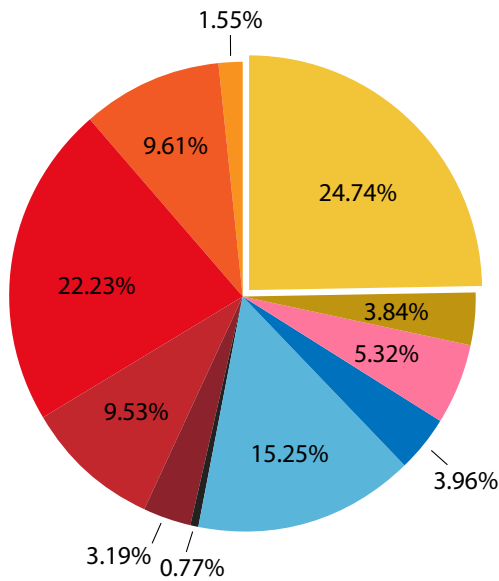
REGION



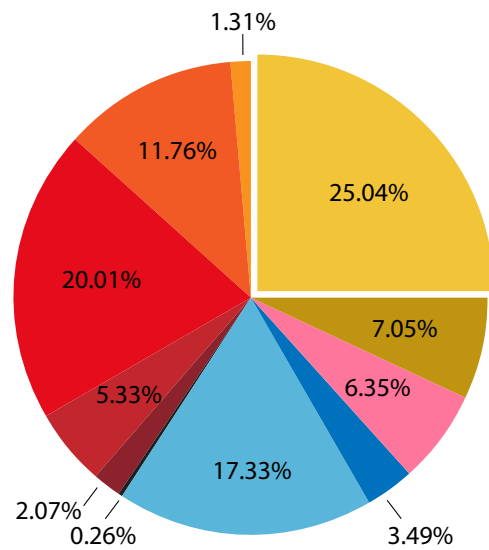
Government employment makes up the largest share of employment in each of our three counties.

Source: U.S. Bureau of Labor Statistics, *Quarterly Census of Employment and Wages, 2020 NAICS-Based Data Files.*

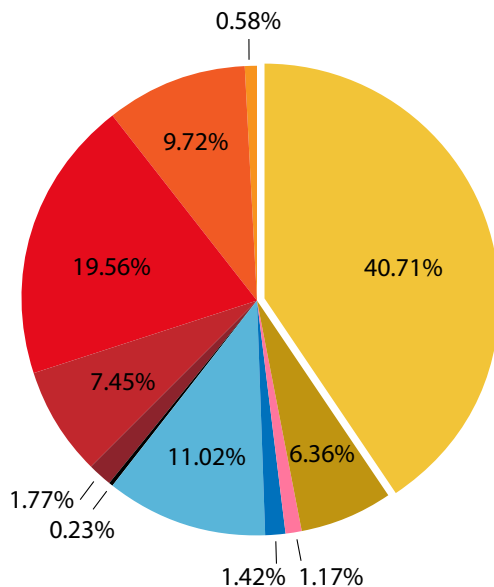
DOÑA ANA COUNTY



SIERRA COUNTY



SOCORRO COUNTY

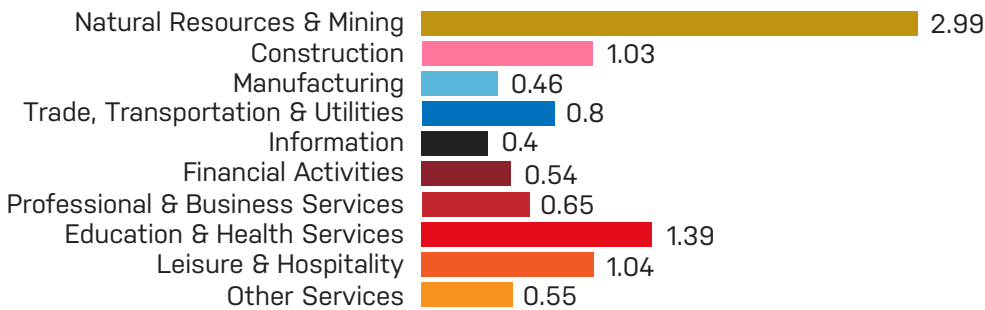


PRIVATE SECTOR EMPLOYMENT

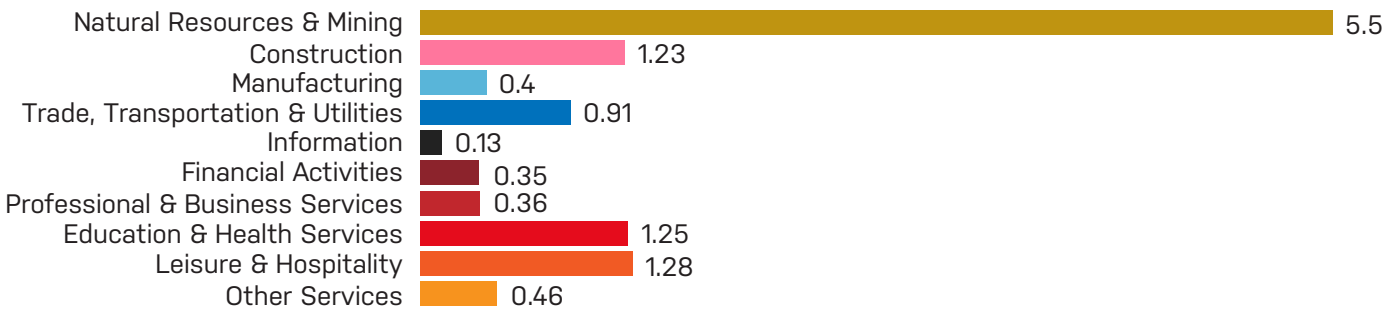
A location quotient quantifies how concentrated employment is in different industries within our counties compared to employment in the nation as a whole.

The national employment location quotient for every industry is 1.0. If an employment location quotient for an industry in one of our counties is less than 1.0, it means that the local employment in that

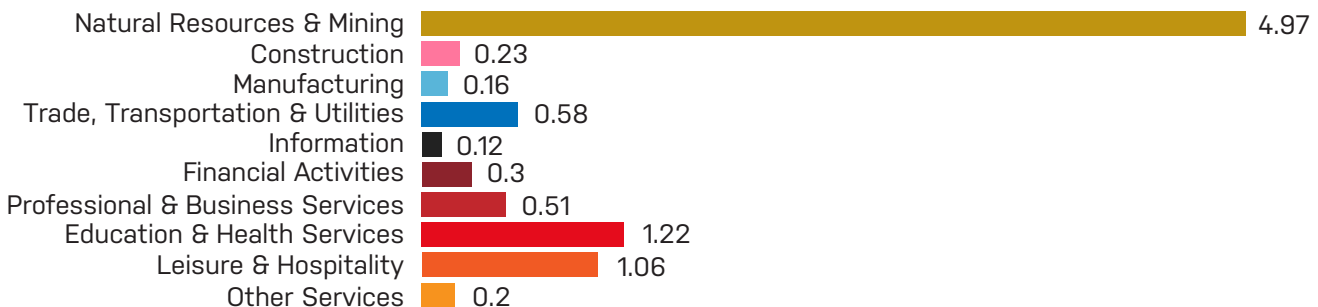
DOÑA ANA COUNTY LOCATION QUOTIENTS



SIERRA COUNTY LOCATION QUOTIENTS



SOCORRO COUNTY LOCATION QUOTIENTS



industry is less concentrated than in the nation as a whole. If an employment location quotient for an industry in one of our counties is greater than 1.0, it means that local employment in that industry is more concentrated than in the nation as a whole.

County employment location quotients greater than 1.0 can indicate that the industry is an export industry for the county. That means that the industry is bringing in dollars for goods and services from outside of the county. An increase in dollars coming in from outside of the county can support additional local jobs.

In Doña Ana County, the location quotients for the construction, education and health services, leisure and hospitality, and natural resources and mining industries have employment location quotients greater than 1.0. This indicates that employment in these industries is more concentrated in Doña Ana

County than in the nation as a whole.

In Sierra County, the location quotients for the construction, education and health services, leisure and hospitality, and natural resources and mining industries have employment location quotients greater than 1.0. This indicates that employment in these industries is more concentrated in Sierra County than in the nation as a whole.

In Socorro County, the location quotients for the education and health services, leisure and hospitality, and natural resources and mining industries have employment location quotients greater than 1.0. This indicates that employment in these industries is more concentrated in Socorro County than in the nation as a whole.

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2020 NAICS-Based Data Files.

INDUSTRIES CONCENTRATED IN THE REGION

The employment location quotients for the education and health services, leisure and hospitality, and natural resources and mining industries are above 1.0 in Doña Ana, Sierra, and Socorro Counties. The education and health services category includes employment in both private sector education and health services. Health care and social assistance is the driving force behind the private sector employment concentration in this industry in all three counties. The data shows that health care and social assistance services are currently serving our existing population. Our region's quality of life amenities and therapeutics attract a large number of retirees.

The natural resources and mining industry category includes employment in agriculture, forestry, fishing, hunting, and mining. The agricultural sector is the driving force behind private sector employment

concentrations in this industry in all three counties. The agricultural sector in Doña Ana County shows employment concentration in crop production, dairy cattle and milk production, and agricultural support activities for crop production. The agricultural sector in Sierra County shows employment concentration in beef cattle ranching and farming and crop production. The agricultural sector in Socorro County shows employment concentration in dairy cattle and milk production.

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2020 NAICS-Based Data Files.

THE FILM INDUSTRY

The film industry is growing in New Mexico. Our region contains two strong higher education programs that provide workforce training for the film industry – the Creative Media Institute at New Mexico State University and the Creative Media Technology program at Doña Ana Community College. Our region has seen twenty eight commercial film productions between 2002 and 2018. There is an opportunity for our region to attract a larger number of commercial productions in the future.

2004 – Glory Road

2005 – Death Valley

2006 - Transformers

2007 – Indiana Jones and the Kingdom of the Crystal Skull

2008 – The Burning Plain

2008 – Year One

2009 – The Book of Eli

2009 – In Plain Sight, S2

2010 – Due Date

2011 – The Banshee Chapter

2012 – 50 to 1

2012 – The Odd Way Home

2012 – Without Borders

2013 – Enemy Way

2014 – Captain Fantastic

2014 – We Know Not What We Do

2015 – River

2015 – The Lost Pueblo

2015 – The Space Between Us

2016 – Rose

2017 – Arizona

2017 – Dreamland

2017 – Fast Color

2017 – Icebox

2018 – Beyond Roswell

2018 – Radio Silence

2018 – The Mule

2018 – Walking With Herb

Source: New Mexico Film Office, Film Production in New Mexico 2002-2018.

Photo credit: Doña Ana Community College.



TOURISM

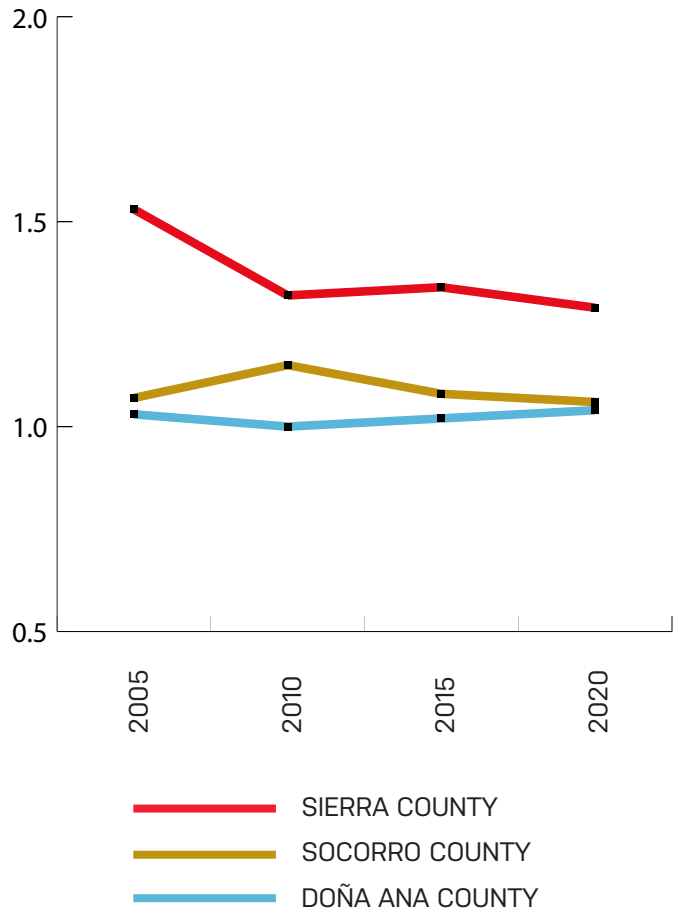
Tourism is important to our regional economy. Our region has developed along the north-south route of the Camino Real, which runs alongside I-10 from El Paso to Las Cruces and along I-25 from Las Cruces to our northern boundary. Our tourist attractions begin just outside of El Paso, TX at the southern end of our region and continue northward toward Albuquerque.

One way to measure tourism is to look at the employment location quotients for the leisure and hospitality industry. The employment location quotients for the leisure and hospitality industry in each of our three counties is above 1.0, indicating that employment in this industry is more concentrated in our region than in the nation as a whole. This indicates that the leisure and hospitality industry brings in money from outside of our region.

The graph on this page compares the employment location quotients for the leisure and hospitality industry in our region between 2005 and 2020. Employment location quotients for the leisure and hospitality region have remained above 1.0 for each county in our region but have not shown significant growth.

The leisure and hospitality industry is an important source of gross receipts for our region. The table below shows the gross receipts generated by the accommodation and food services sector within our region in 2021.

LEISURE & HOSPITALITY LOCATION QUOTIENTS



Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2005-2020 NAICS-Based Data Files.

ACCOMODATION & FOOD SERVICES GROSS RECEIPTS 2021

	1st Quarter 2021	2nd Quarter 2021	3rd Quarter 2021	4th Quarter 2021
Doña Ana County	\$101,682,845.54	\$104,479,920.20	\$113,084,012.38	\$151,804,793.76
Sierra County	\$6,257,549.13	\$7,206,533.35	\$6,966,134.04	\$6,469,250.85
Socorro County	\$6,431,335.63	\$7,433,393.18	\$7,943,111.00	\$8,337,931.42

Source: New Mexico Department of Taxation & Revenue Department, Gross Receipts by Geographical Area and NAICS Code - Quarterly RP-80 Reports, 2021.

OPPORTUNITIES

Our region has several promising opportunities for economic growth. Exploring new economic opportunities is an important part of our economic development strategy. Having strong and varied industries in our region will foster long-term resiliency. The development of new industries will improve

our pandemic recovery efforts by generating new capital and opening up diverse employment opportunities for our residents. Growth in new industries can inspire our youth to live and work in South Central New Mexico.

AEROSPACE

Home of Spaceport America, South Central New Mexico is poised to grow the commercial aerospace industry.

CYBERSECURITY

The New Mexico Cybersecurity Center of Excellence at New Mexico Tech is leading the way in cybersecurity.

OUTDOOR RECREATION

Our region's breathtaking landscapes & tourist attractions provide vast opportunities for the development of outdoor recreation.

RENEWABLE ENERGY

South Central New Mexico is a prime location for the development of renewable energy because of its climate and geography.

VALUE-ADDED AGRICULTURE

The strength of the agriculture industry in our region provides ample opportunities for the development of value-added agricultural products.



Chili

MILD MEDIUM



Chili

MILD



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WATER

Water is important to any discussion of economic development in our region. Water is both a limiting factor due to its scarcity and a condition of our wealth because of the economic activity it sustains, including our workforce and our agricultural products.

As a resiliency measure in an arid climate, we recommend that the impact on our region's water supply be analyzed for each proposed economic development project in South Central New Mexico.



GOAL #1

We will reduce our reliance on government employment to 22% by 2027 to improve our economic resilience.

ACTION PLAN #1

We will diversify our regional economy by investing in infrastructure to support private investment and job creation, including:

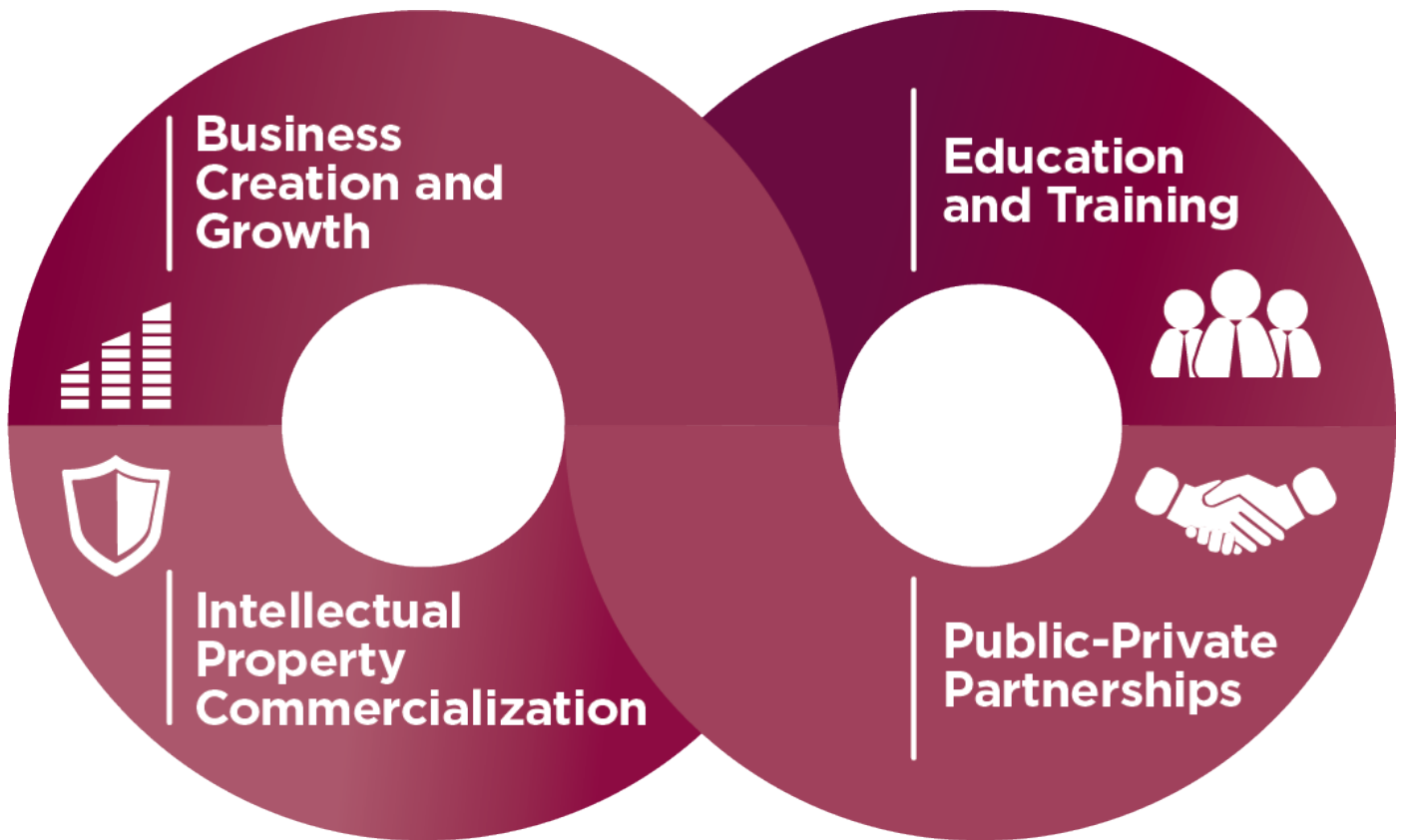
- Affordable/Available Housing
- Broadband
- Business Incubators & Technology Transfer including the Anthony Youth Farm and the Arrowhead Center/Arrowhead Research Park
- Cultural/Recreational Facilities and Programs (libraries, community centers, museums/arts centers, parks, etc.)
- Downtown/Commercial Redevelopment
- Educational Facilities and Services
- Environmental Protection (solid waste management, air and water quality, conservation of natural resources, etc.)
- Health Care Facilities and Services
- Infrastructure for Aerospace including Spaceport America
- Infrastructure for Commerce
- Infrastructure for Film, including a Sound Stage
- Infrastructure for International Trade
- Infrastructure for Outdoor Recreation (OHV parks, trails, trailheads, walking paths, etc.) including the Rio Grande Trail
- Infrastructure for Water Availability (desalination, reuse, water conservation for agriculture, etc.)
- New and Existing Port of Entry Construction and Improvements
- New Industrial Buildings
- New Industrial Sites/Parks including the Arrowhead Research Park
- Other Infrastructure/Public Works (public buildings, water/sewer systems, drainage, etc.)
- Public Improvements/Utilities to Support Sites & Buildings (access roads, water & sewer, rail spurs, etc.)
- Services for the Elderly (home healthcare, home delivered meals, transportation, homemaker services, senior center activities)
- Telecommunications (software, hardware, towers, etc.)
- Transportation Facilities (roads, streets and highways, rail service, air service, public transit, etc.)

ACTION PLAN #2

We will create and grow three hundred ventures and entrepreneurs around the State of New Mexico through Arrowhead Center at New Mexico State University by 2027.

Arrowhead Center builds regional capacity by making available to entrepreneurs and businesses the knowledge, skills, and resources they need to be successful in innovation-driven business creation. This leads to several favorable outcomes: commercialization of discoveries and innovations, increased entrepreneurship, new businesses, and lasting partnerships between regional stakeholders. To learn more or to apply for business assistance, visit arrowheadcenter.nmsu.edu.

See Appendix A for Arrowhead Center’s major programs and resources available to individuals and firms throughout the State of New Mexico.



Source: Arrowhead Center, New Mexico State University.

GOAL #2

We will increase regional tourism by 5% as measured by accommodation and food services gross receipts by 2027.

ACTION PLAN #1

We will promote South Central New Mexico as a tourist destination by building the Travel South Central New Mexico regional tourism initiative.



Welcome to South Central New Mexico!

South Central New Mexico is located along interstate highways between Albuquerque, New Mexico and El Paso, Texas. Get ready for a road trip!

Enjoy our beautiful landscapes, cultural traditions and attractions, deep history, and our world famous green chile.

Travel down El Camino Real de Tierra Adentro National Historic Trail, raft the Rio Grande, fish and swim in Elephant Butte Lake, and hike the Organ Mountains-Desert Peaks National Monument – there's something for everyone!

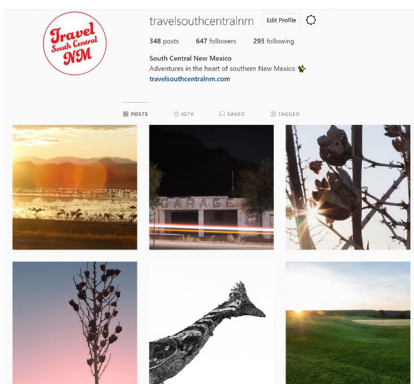
Travel Map
Plan your next adventure with our interactive travel map!

Local Tours
Join a local tour for a curated experience of our region's attractions.

Video Gallery
Explore the sights and sounds of our landscapes, wildlife, and culture.

News & Events
Activities and events from the great outdoors to museums and more.

Photo Gallery
Enjoy the breathtaking beauty of South Central New Mexico.



Things to Do in South Central New Mexico

Looking for things to do in South Central New Mexico? You're in the right place! Use our interactive travel map to create your own custom adventure, or sign up for a local tour with an expert guide.

TRAVEL MAP

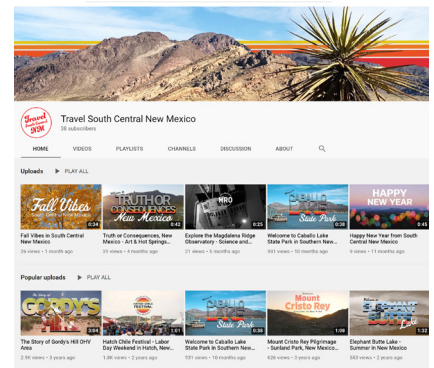
Create your own custom adventure.

Do you like hiking, mountain biking, and exploring the great outdoors? Or is science and technology more your style? Sort our travel map by category to find the best spots to feed your soul.

LOCAL TOURS

Find a local tour.

Let an expert guide show you our most spectacular and hidden treasures. There are a variety of tour options available in South Central New Mexico to suit your needs.





GOAL #3

We will double the number of commercial film productions in our region by 2027.

ACTION PLAN #1

We will recruit production companies to our region to film movies and television shows. We will market our region at conferences, trade shows, and through face-to-face meetings with production companies and film industry executives.

APPENDIX A

Arrowhead Units	Programs	Function and Resources
Student Entrepreneurship	Studio G	A program to help college and university students and recent graduates explore and undertake entrepreneurship
	Innoventure	Suite of programs offering youth entrepreneurship education and experiences: Innoventure Jr. (K-5th); Camp Innoventure (middle school); and Innoventure Challenge (6th – 12th); bilingual programs and initiatives tailored to Native American students
	Aggie I-Corps	A National Science Foundation program to test the feasibility of a business idea, spur translation of research, encourage collaboration between academia and industry, and train students to understand innovation and entrepreneurship
	American Indian Business Enterprise (AIBE) Center	Business acceleration assistance that helps support and grow Native-owned businesses in NM; assist students and communities
Office of Intellectual Property (IP) and Technology Transfer	IP Protection and Licensing	Invention disclosure assistance, IP protection, and IP licensing for the NMSU community
	LAUNCH	Licensing studio providing support for early-stage NMSU-developed technologies that demonstrate commercial potential
Business Gateway	Arrowhead Technology Incubator	Office space and facilities, business model assistance, networking, access to sources of capital, business development education and training
	New Mexico Small Business Assistance Program	Los Alamos and Sandia National labs program that provides unique expertise to assist small business growth
	NM Federal and State Technology (FAST) Partnership Program	Technical and strategic assistance with proposals submitted under the federal SBIR/ STTR programs
	NM Clean Energy Resilience and Growth (NM CERG) Cluster	Support for clean energy technology companies
	Innovation Ecosystem Connect	Matching platform for small businesses and federal entities and resources for technology development and transfer
	Nusenda Fintech Lab	Resources, mentorship, and business development guidance for entrepreneurs working with financial technologies
	Sprint Business Accelerators	Business and commercialization accelerator programs; general business and specialized sectors, including agriculture, healthcare, clean energy, outdoor recreation; accelerators focused on specific locations (e.g., Farmington and Taos); accelerators focused on certain groups (e.g., women entrepreneurs and Native American entrepreneurs); Spanish-language cohorts
	Audaz Capital	Venture capital fund focused on seed and early-stage investments to commercialize promising technologies developed or licensed in NM and the greater Southwest region
	Arrowhead Innovation Network	A network of business mentors including technical experts, entrepreneurs, and business specialists providing one-on-one guidance to those launching and growing businesses
	Craftbox Design	Web design and development, branding, and marketing materials for small businesses
Regional Collaboration	Arrowhead Ventures	Program which provides referral services to resources for continued commercialization acceleration and business sustainability
	Hunt Center for Entrepreneurship	Provides direct support for student entrepreneurs; funds LAUNCH licensing studio; support investors- and entrepreneurs-in-residence to offer guidance to new entrepreneurs
	Foster Innovation Exchange	Provides assistance with prototyping, CAD modeling, and manufacturing for physical products; women's entrepreneurship; and international business services
Arrowhead Park		Office space and facilities, partnering opportunities for NMSU and industry entities, access to students as employees/interns for tenants
Economic Studies		Research and analysis on economic indicators and trends in economic development and workforce issues



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