



Regional Economic Development Initiative (REDI) Plan

FINAL DRAFT

January 2024



Table of Contents

I.	Executive Summary	3
II.	Regional Conditions	7
III.	Summary of Related Plans and Initiatives	14
IV.	Major Themes and Project Recommendations	21
	Appendix A: SWOT Session Summaries	32

Regional Commitment

“Just as Los Alamos National Laboratory is recognized as the primary economic engine for Northern New Mexico, the Lab depends upon other area municipalities, educational institutions and businesses throughout the region to supply workforce, housing, land, retail and entertainment options, as well as other goods and services not available in Los Alamos. As home to the Lab, Los Alamos County’s efforts to support LANL’s growth and success are contingent upon the economic growth and success of our neighboring communities. Hence, in addition to its support of LANL’s regional outreach programs, the County conducts its own collaborations with the surrounding cities, counties and pueblos to identify strategic projects for funding and execution.”

-Los Alamos County Economic Vitality Strategic Plan, 2019

I. Executive Summary

Background. In 2006, Los Alamos County established the Progress Through Partnering (PTP) program as a way to identify, and contribute funding to, projects that benefit the region. The impetus for PTP was a change in management at Los Alamos National Laboratory (LANL), which resulted in gross receipts tax payments to Los Alamos County for the first time. Through PTP, Los Alamos County currently contributes funding to several regional organizations—including the North Central Regional Transit District (NCRTD) and the Regional Development Corporation (RDC).



The Northern New Mexico Regional Economic Development Initiative (REDI) began as a PTP initiative in 2007. At that time, Los Alamos County signed cooperative agreements with local governments in the four-county region of Los Alamos, Rio Arriba, Santa Fe and Taos to develop a plan that would serve as a roadmap for regional investments. The REDI Plan was adopted in 2009 and this document represents its first update since that time. Among numerous initiatives recommended in the original REDI Plan, several have been successful and remain effective today.

PTP has continued and evolved in recent years. In 2020, the County formally created a Regional Capital Fund to assist with and provide matching funds for capital projects that have significant impacts as defined by the partnering local governments. In 2022, the county signed memorandums of understanding (MOUs) with the City of Española and Rio Arriba County, thereby directing the funds to Los Alamos’ two closest neighbors. In November 2022, Los Alamos County announced its first investments from the fund, including \$2.3 million for two projects in Rio Arriba County and \$660,000 for one project in the City of Española.

Planning Process. This 2023 update to the REDI Plan uses current data, current economic development plans, and an environmental scan to document changes in the four-county region since 2009. This information was compared to stakeholder input solicited through SWOT sessions held with regional stakeholders. There was substantial alignment between the two sets of information, allowing NCNMEDD to develop a list of recommendations and performance metrics which were confirmed by regional leaders through one-to-one interviews and a final comment period. The stakeholder input conducted for the Plan update is detailed further below:

- **SWOT Sessions** were held to assess Strengths, Weaknesses, Opportunities, and Threats (SWOT) for each county in the REDI region. These facilitated sessions were held virtually in April 2022. For each session, the facilitator shared the history of the original REDI Plan and asked participants to provide feedback and share their impressions of Strengths, Weaknesses, Opportunities, and Threats for their community, county, and the region. Summaries of each SWOT Session are provided in Appendix A.
- **A Review of Regional Conditions** was completed by the North Central New Mexico Development District (NCNMEDD), which authored this Plan update. The review included updated demographic, economic and industry data (Section II) current economic development plans and initiatives (Section III); and changed and unchanged conditions since the original REDI Plan was developed in 2009 (Section IV). This information was analyzed side-by-side with the input from the SWOT Sessions. Substantial alignment between the review and stakeholder input enabled NCNMEDD to identify five major themes (Section IV), from which projects and a funding strategy were derived.
- **A Comment Period** allowed stakeholders to review and provide final comments on the Plan update, prior to consideration by the Los Alamos County Council.

Summary of the Major Themes, Projects, and Funding Strategy

Themes and projects are discussed in detail in Section IV.

Table 1: Summary of Themes and Recommended Projects

THEME	RECOMMENDED PROJECTS	LEAD ENTITIES	METRICS
1. Regional Collaboration	a. Sponsor a regional roundtable where communities can freely share challenges and opportunities and assist one another with resources and expertise. b. Develop a regional marketing campaign which integrates tourism and economic development.	RDC and NCNMEDD RDC	○ Number of regional and public/private partnerships
2. Business Development	a. Continue to build economic development capacity throughout the region through economic development events, small business training, and coaching and mentoring. b. Strengthen support services for small businesses, such as legal, human resources, and accounting. c. Increase outreach to existing and startup businesses in the region.		○ Number of jobs created and retained by new and existing businesses ○ Number of new businesses formed and attracted ○ Number of businesses assisted

THEME	RECOMMENDED PROJECTS	LEAD ENTITIES	METRICS
2. Business Development, Continued	<ul style="list-style-type: none"> d. Conduct industry specific roundtables to promote collaboration and problem solving. e. Produce an annual physical marketplace event and an online marketplace for RDC clients. f. Expand RDC-led business development efforts with a regional approach to business attraction and PRO responses. 		
3. Workforce	<ul style="list-style-type: none"> a. Provide long term funding for the Workforce Integrated Network (WIN) so this critical project can continue beyond the EDA Good Jobs Challenge grant, which ends in 2025. b. Develop private sector leadership for key industries. c. Implement standardized high school curriculum for trades and health care. 	<p>Local governments and private sector</p> <p>RDC and NCNMEDD</p> <p>RDC</p>	<ul style="list-style-type: none"> o Decreased unemployment rate for all counties above the national average o Increased workforce participation rate for all counties below the national average o Increased rate of population under 60 years of age. o Increased median household income and wages for all counties below the national average o Decreased poverty rate for all counties above the national average o Increased rate of households with health insurance
4. Climate Change & Renewables	<ul style="list-style-type: none"> a. Develop a strategy for the Renewables sector. b. Establish the region as a national leader in place-based climate resiliency. 	<p>NCNMEDD</p> <p>RDC, LANL</p>	<ul style="list-style-type: none"> o Increase in renewables sector businesses and jobs
5. Workforce Housing	<ul style="list-style-type: none"> a. Encourage developers to build new housing targeted to local workforce. b. Provide local matching funds for workforce housing. c. Support NCNMEDD to establish a regional housing trust. d. Sponsor housing summits and other events to mobilize housing projects and initiatives. 	<p>Local govts</p> <p>Local and state govts</p> <p>NCNMEDD</p> <p>RDC, NCNMEDD, Local govts</p>	<ul style="list-style-type: none"> o Number of new and rehabilitated housing units available to workforce o Increased ability of low and moderate income people to rent and purchase homes in each county

THEME	RECOMMENDED PROJECTS	LEAD ENTITIES	METRICS
6. Broadband	<ul style="list-style-type: none"> a. Provide local matching funds for broadband projects. b. Consider providing REDI Net with operational funding and technical assistance to develop a sustainable financial model. 	<p>Local and state govt Los Alamos County</p>	<ul style="list-style-type: none"> o Increased rate of households with an Internet subscription for all counties below the national average
7. Funding	<ul style="list-style-type: none"> a. Develop or partner with other entities on recurring funding sources and/or a matching fund or funding pool for the region. b. Prioritize investment in projects that: <ul style="list-style-type: none"> o Leverage the greatest amount funding from federal, state and other sources. o Promote equity in the region by improving conditions in small, rural, and/or under-resourced communities. o Are regional, utilize a regional platform, or are replicable among communities. 	<p>Los Alamos County Los Alamos County</p>	<ul style="list-style-type: none"> o Amount of new funding and investment for businesses and communities o Increase in local tax receipts o Return on investment

II. Regional Conditions

This section summarizes and compares population, geography, economic conditions, demographics, and top industries for the four counties in the REDI region.

Table 2: Population, Geography, and Demographics in the REDI Region

Indicator	US	NM	Los Alamos	Rio Arriba	Santa Fe	Taos
Total Population	329,725,481	2,109,366	19,169	40,347	153,632	34,322
Size (square miles)	3,533,038.28	121,312.75	109.12	5,860.87	1,910.38	2,202.37
Population/square mile	93.8	17.5	178.0	6.9	81.0	15.7
Total Households (HH)	124,010,992	797,596	8,029	13,293	68,856	12,840
Median Age	38.4	38.3	41.5	41.5	47.1	49.4
Median HH Size	2.60	2.59	2.38	3.00	2.29	2.64
Race & Ethnicity						
Hispanic or Latino of any race	18.4%	49.6%	18.3%	71.3%	50.5%	56.8%
White Alone	59.4%	36.0%	70.7%	11.8%	40.6%	35.4%
African American Alone	12.2%	1.8%	1.1%	0.5%	0.6%	0.1%
American Indian Alone	0.6%	8.5%	0.7%	14.3%	2.1%	4.9%
Asian Alone	5.6%	1.5%	5.4%	0.5%	1.4%	0.7%
Other Alone	0.6%	0.4%	0.0%	0.9%	1.0%	0.2%
Two or More Races	3.2%	2.2%	3.7%	0.7%	3.8%	1.8%

Source: American Community Survey 2021 Five-Year Estimates

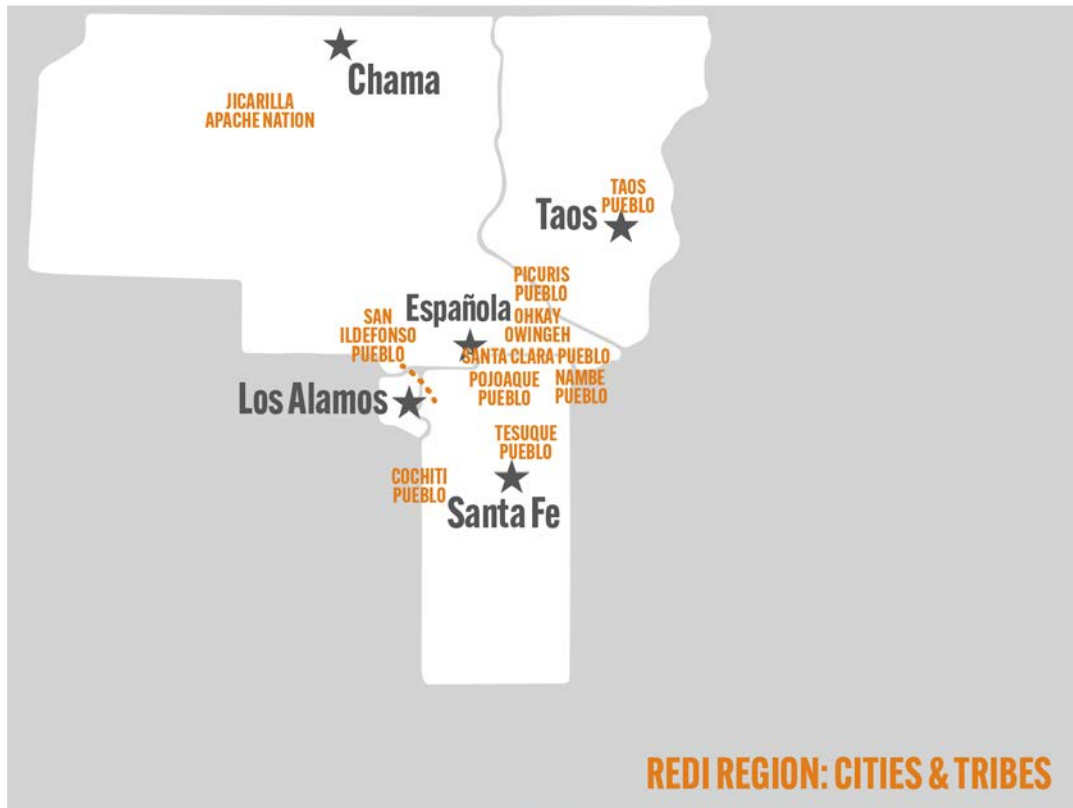
Population and Geography. Los Alamos County is a consolidated city/county government with a population of roughly 20,000, similar to many small cities in New Mexico. At 109 square miles, it is the smallest county in New Mexico.

Santa Fe County is one of only four Metropolitan Statistical Areas (MSAs) in New Mexico, and the only MSA in the north central region. It is anchored by the City of Santa Fe, with a population of 88,000. Outside of the city and its suburbs, however, Santa Fe County is a collection of small villages and unincorporated communities, similar to other rural areas in northern New Mexico.

Rio Arriba and Taos counties have similar populations and each are anchored by one small city—Española and Taos—surrounded by numerous traditional villages and mountainous terrain. While both counties are large geographically, Rio Arriba County is one of the largest counties in the state, making provision of services difficult and expensive. There are several small municipalities in Taos County (the villages of Questa, Red River and Taos Ski Valley) and one small municipality in Rio Arriba (the Village of Chama).

Santa Fe, Rio Arriba and Taos counties have significant amounts of federal land, including U.S. Forest Service and Wilderness Areas, Bureau of Land Management holdings, and tribal lands. Federal land reduces the taxable land base of the counties, and each county receives federal PILTS (Payments in Lieu of Taxes) as compensation. Federal land ownership also results in jurisdictional complexity, especially in and around the City of Española. The City

of Española falls into both Santa Fe and Rio Arriba counties, and is checkerboarded with tribal lands. Federally-recognized Tribes in the REDI region include the pueblos of Tesuque, Pojoaque, Nambe and San Ildefonso in Santa Fe County; Santa Clara Pueblo, Ohkay Owingeh and the Jicarilla Apache Nation in Rio Arriba County; and the pueblos of Taos and Picuris in Taos County. Partnerships, infrastructure and service coordination with the Tribes is essential for communities in the REDI region.



Demographics. One indicator that all four counties share is an older population. Los Alamos, Rio Arriba, Santa Fe and Taos counties all have median ages above the state and national averages of 38 years. Los Alamos and Rio Arriba counties have a median age of 41.5 years; Santa Fe and Taos counties are older, with median ages of 47.1 and 49.4 years, respectively. New hiring at LANL may begin to reverse this trend in Los Alamos and Rio Arriba counties, where many LANL workers live. This will be more difficult in Santa Fe and Taos counties, which will likely remain impacted by their popularity as retirement communities.

Household sizes are also fairly similar among the counties and fall in line with state and national averages of 2.6 persons per household. Rio Arriba County is the outlier, with a larger average household size of 3.0 persons.

In terms of race and ethnicity, New Mexico has long been a minority-majority state, with 49.6% of residents reporting as Hispanic or Latino, and 8.5% reporting as Native American.

This stands in contrast to the U.S. where 18.4% of residents are Hispanic/Latino and 0.6% are Native American. Among the four counties, three have higher rates of Hispanics than the state—50.5% in Santa Fe, 56.8% in Taos, and 71.3% in Rio Arriba. Taos and Rio Arriba counties also have high rates of Native Americans at 4.9% and 14.3%, respectively, with Rio Arriba’s rate being higher than the state’s. Los Alamos County’s make up differs from Santa Fe, Taos and Rio Arriba counties; ; 70.7% of residents report as White only, with 18.3% and 1.1% reporting as Hispanic/Latino and Native American. Los Alamos County has a higher rate of Asian residents at 5.4%, which is consistent with the U.S. rate of 5.6%, but higher than the state’s rate of 1.5%.

Economic Indicators. At nearly \$124,000, Los Alamos County’s median household income is one of the highest in the nation and is more than twice the state’s median household income of \$54,020. At 4.2%, Los Alamos County’s poverty rate is extremely low, compared to the state poverty rate of 13.8% and the national rate of 8.9%. Santa Fe County has higher incomes (\$64,423) and lower poverty (12.3%) than the state but lower incomes and higher poverty than the U.S. By contrast, Rio Arriba and Taos counties have lower median household incomes (\$46,994, \$49,481) and higher poverty rates (22.3%, 15.3%) than both New Mexico and the U.S.

Table 3: Economic Conditions in the REDI Region

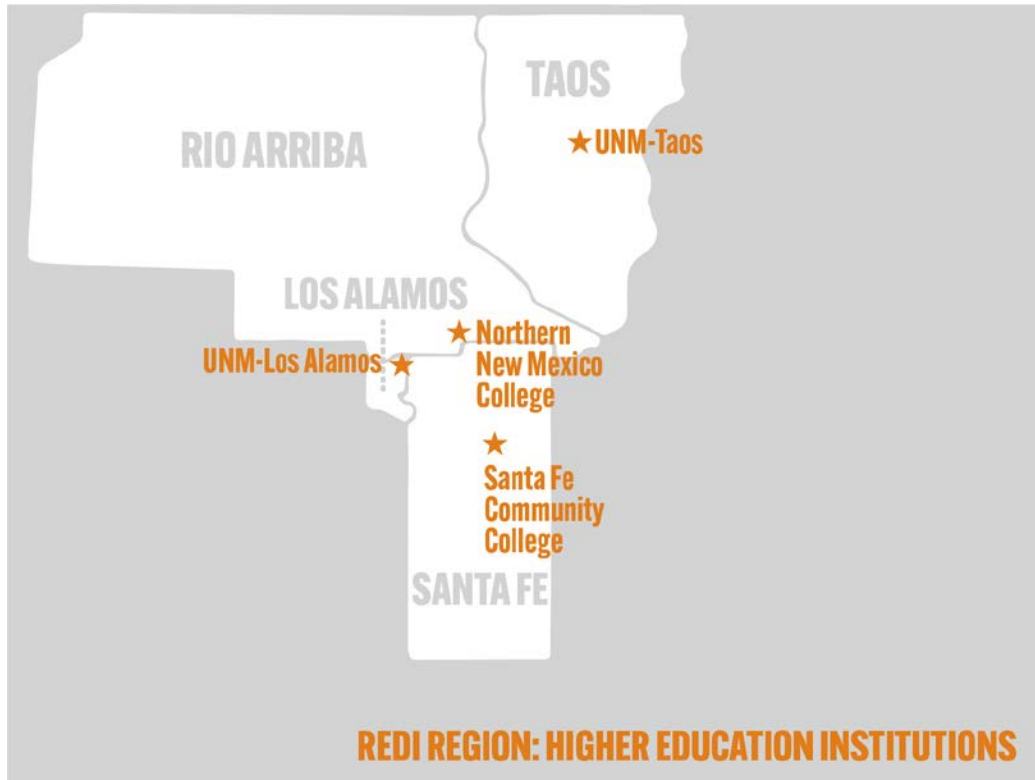
Indicator	US	NM	Los Alamos	Rio Arriba	Santa Fe	Taos
Median HH Income	\$69,021	\$54,020	\$123,677	\$46,994	\$64,423	\$49,481
Poverty Rate	8.9%	13.8%	4.2%	22.3%	12.3%	15.3%
Unemployment Rate	5.5%	6.6%	3.1%	6.2%	5.3%	9.9%
Workforce Participation Rate	63.6%	57.3%	68.5%	51.6%	57.7%	51.4%
Bachelor’s Degree+	33.7%	28.5%	68.5%	17.7%	41.1%	32.5%
HH with Internet Subscription	87.2%	80.4%	93.1%	63.6%	84.3%	80.9%
Without Health Insurance (Under 65)	9.8%	12.0%	3.1%	10.9%	12.8%	11.5%
Homeowners	64.6%	68.2%	74.3%	77.8%	71.3%	79.9%

Source: American Community Survey 2021 Five-Year Estimates

Unemployment and workforce participation rates follow a similar pattern. Unemployment is highest in Taos County at nearly 10%, and lowest in Los Alamos County at 3.1%. Rio Arriba (6.2%) and Santa Fe (5.3%) counties fall closer to the state and national unemployment rates of 6.6% and 5.5%, respectively. Unfortunately, New Mexico is known for a low workforce participation rate, currently at 57.3% compared to 63.6% in the U.S., although this too varies across the region. Workforce participation is high in Los Alamos (68.5%), in line with the state average in Santa Fe County (57.7%), and low in Rio Arriba and Taos counties (51-52%).

All counties except Rio Arriba have relatively high educational attainment and rates of Internet subscription (81%+) that are similar to or higher than the state’s. Adults with a

bachelor's degree or greater represent 70% of the age 25+ population in Los Alamos, 41% in Santa Fe County, and 33% in Taos County, compared to 29% in New Mexico and 34% in the U.S. By contrast, in Rio Arriba County, only 18% of the adult population has a bachelor's degree or greater and only 64% of households have an Internet subscription.



Homeownership is typically an indicator of household wealth. While New Mexico has historically boasted a higher homeownership rate than the U.S., our rate includes a high number of manufactured homes and also reflects generational inheritance of family homes. The current homeownership rate for New Mexico is 68.2% compared to 64.6% in the US. Rates in the four counties are even higher, ranging from 71% in Santa Fe to nearly 80% in Taos.

All counties except Los Alamos have rates of adults without health insurance similar to the state's. Los Alamos County has a lower rate of 3%, compared to 12% in New Mexico and 10% in the US.

Industry Sectors. The components of income, poverty and workforce participation statistics are reflected in Table 2, which presents total covered employment and top five sector data for each county.

Table 4: LANL Employment and Salaries by County

County	Employees	Salaries
Los Alamos	5,225	\$689,636,978
Santa Fe	3,460	\$386,057,175
Rio Arriba	2,175	\$170,383,657
Bernalillo	934	\$73,916,794
Sandoval	580	\$59,388,298
Taos	275	\$19,816,450
Other NM	349	\$25,701,896
Out of State	1,056	
Total	14,054	\$1,424,901,248

Source: [LANL 2022 Economic Impact on New Mexico](#)

Los Alamos County’s total covered employment is almost comparable to its population, as LANL draws employees from other counties including Rio Arriba, Santa Fe, Sandoval and even Bernalillo and Taos. The vast majority of employment is concentrated in the Professional and Business Services, with a 5.10 employment quotient compared to the U.S., due to Triad and subcontractors reporting employment in this sector. Wages in this sector are more than twice as high as the next largest sector, Education and Health Services, \$110,000 compared to \$51,000.

Table 5: Los Alamos County Employment and Top Five Industry Sectors

LOS ALAMOS COUNTY							
Industry	Annual Average Establishment Count	Annual Average Employment	Annual Total Wages	Annual Average Weekly Wage	Annual Average Pay	Employment Location Quotient Relative to U.S.	Total Wage Location Quotient Relative to U.S.
Total Covered Employment	548	17,955	1,737,659,958	1,861	96,778	1.00	1.00
1. Professional and business services	153	13,558	1,493,096,174	2,118	110,123	5.10	4.35
2. Education and health services	103	943	48,106,032	981	51,023	0.33	0.20
3. Leisure and hospitality	40	437	9,731,395	428	22,264	0.25	0.13
4. Trade, trans. and utilities	45	472	17,040,262	694	36,070	0.14	0.06
5. Construction	41	252	21,342,045	1,628	84,635	0.27	0.23

Table 6: Santa Fe County Employment and Top Five Industry Sectors

SANTA FE COUNTY							
Industry	Annual Average Establishment Count	Annual Average Employment	Annual Total Wages	Annual Average Weekly Wage	Annual Average Pay	Employment Location Quotient Relative to U.S.	Total Wage Location Quotient Relative to U.S.
Total, all industries	6,419	57,950	3,073,552,639	1,020	53,038	1.00	1.00
1. Trade, trans., and utilities	994	9,818	412,412,103	808	42,007	0.88	0.85
2. Education and health services	929	9,600	526,311,993	1,054	54,822	1.05	1.26
3. Leisure and hospitality	614	9,045	307,401,991	654	33,987	1.59	2.41
4. State govt.	167	7,692	507,831,637	1,270	66,025	4.20	5.14
5. Local govt.	119	5,841	295,304,823	972	50,555	1.06	1.16

Source: U.S. Bureau of Labor Statistics 2021 Quarterly Census of Employment and Wages

While LANL employment is categorized as private, it is in fact employment associated with a federal laboratory. In the other three counties, government is also among the top employers. When combined, State and Local Government jobs in Santa Fe County make up the majority of covered employment. The sectors of Trade, Transportation and Utilities; Education and Health Services; and Leisure and Hospitality are the next largest, responsible for 9,000-10,000 jobs each. Santa Fe County has high employment location quotients for State Government (4.20), Leisure and Hospitality (1.59) and Other Services (1.51). Note that wages in Santa Fe are higher for each sector than in Rio Arriba and Taos. This is because of a higher local minimum wage, and because state government jobs tend to be higher-paid and push up government wages overall.

Table 7: Rio Arriba County Employment and Top Five Industry Sectors

RIO ARRIBA COUNTY							
Industry	Annual Average Establishment Count	Annual Average Employment	Annual Total Wages	Annual Average Weekly Wage	Annual Average Pay	Employment Location Quotient Relative to U.S.	Total Wage Location Quotient Relative to U.S.
Total, all industries	913	9,037	383,239,094	816	42,408	1.00	1.00
1. Local govt.	66	3,139	119,282,827	731	37,996	3.66	3.77
2. Education and health services	232	1,368	71,887,985	1,010	52,540	0.96	1.38
3. Trade, trans., and utilities	112	1,337	44,823,739	645	33,528	0.77	0.74
4. Leisure and hospitality	88	939	20,317,451	416	21,641	1.06	1.28
5. State govt.	30	468	22,594,493	929	48,322	1.64	1.83

Source: U.S. Bureau of Labor Statistics 2021 Quarterly Census of Employment and Wages

In Rio Arriba County, Local Government is the largest employer, with over 3,000 employees, followed by Education and Health Services; Trade, Transportation and Utilities; and Leisure and Hospitality, with 900-1,400 jobs each. The employment location quotient relative to the U.S. is higher for all government categories (3.66 for local government, 1.64 for state government, and 1.52 for federal government), and also for Natural Resources and Mining, due significant oil and gas production on the Jicarilla Apache Nation.

Taos County’s employment distribution is more even, with Government; Leisure and Hospitality; Education and Health Services; and Trade, Transportation and Utilities accounting for 1,700 to 2,300 jobs each. Taos County’s employment locational quotient is high for Leisure and Hospitality (2.31), Local Government (1.34), Federal Government (1.28), and Education and Health Services (1.27). Taos County also has a high location quotient for Natural Resources and Mining (1.24), due to employment associated with mine clean up in Questa. However, mining jobs have fallen precipitously since the closure of the Chevron Questa molybdenum mine in 2014.

Table 8: Taos County Employment and Top Five Industry Sectors

TAOS COUNTY							
Industry	Annual Average Establishment Count	Annual Average Employment	Annual Total Wages	Annual Average Weekly Wage	Annual Average Pay	Employment Location Quotient Relative to U.S.	Total Wage Location Quotient Relative to U.S.
Total, all industries	1,375	10,103	392,773,450	748	38,876	1.00	1.00
1. Leisure and hospitality	195	2,295	60,773,525	509	26,476	2.31	3.73
2. Education and health services	216	2,026	90,297,235	857	44,580	1.27	1.69
3. Trade, trans., and utilities	240	1,708	59,431,448	669	34,799	0.88	0.96
4. Local govt.	58	1,280	53,913,753	810	42,126	1.34	1.66
5. Construction	147	586	27,144,475	890	46,302	1.12	1.30

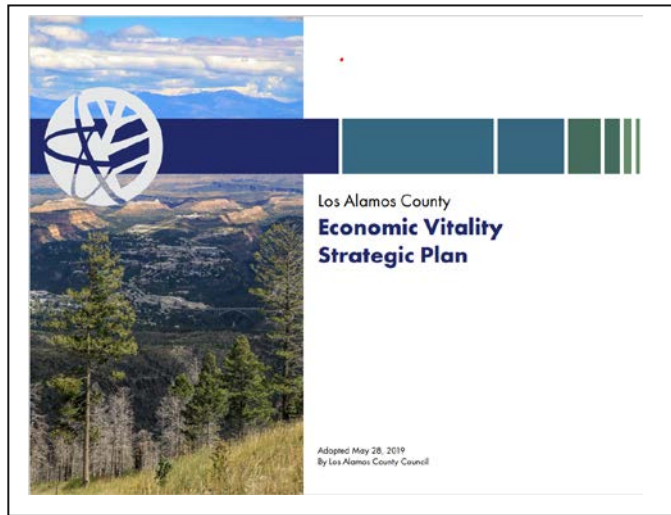
Source: U.S. Bureau of Labor Statistics 2021 Quarterly Census of Employment and Wages

In both Rio Arriba and Taos counties, wages are pulled down by fewer jobs in high paying sectors such as Professional Services, Information and Finance, and large concentrations of jobs in the Leisure and Hospitality and Trade sectors, where wages are in the low \$20,000-mid \$30,000 range annually. The loss of mining jobs has also negatively impacted wages in Taos County.

III. Summary of Related Plans and Initiatives

Los Alamos County Economic Vitality Strategic Plan (2019)

Originally drafted in 2010, Los Alamos County’s *Economic Vitality Strategic Plan* was updated in 2019. Serving in an advisory capacity to the Los Alamos County Council, the county’s Economic Vitality Action Team (EVAT) developed the plan and oversees its progress. 2019 Plan goals are similar to those in the original 2010 plan and include: 1) Increase the availability of housing in the County, both affordable and market rate; 2) Define and address quality of life priorities; 3) Grow a separate, complementary economy to LANL; 4) Support and retain LANL as the area’s best wealth producing employer. The 2019 Plan includes detailed action plans for each of the four goals.



Los Alamos National Laboratory (LANL)

LANL’s managing partner, Triad National Security, LLC, invests in the region through its Community Commitment Plan which matches employee contributions to qualified charitable organizations and supports K-12 education, capacity and coordination for nonprofits in northern New Mexico, and regional economic development. To carry out the economic development element of the Plan, Triad contracts with the Regional Development Corporation (RDC) to facilitate job growth and diversify the economy in the counties of Los Alamos, Mora, Rio Arriba, Sandoval, San Miguel, Santa Fe and Taos.

In addition to its investment with the RDC, LANL directly provides no-cost technical assistance to businesses through three different programs. The New Mexico Small Business Assistance Program (NMSBA) helps for-profit small businesses access cutting-edge technologies, solve technical issues and gain knowledge from technical experts at LANL and Sandia National Laboratories (SNL). The Technology Readiness Gross Receipts Initiative (TRGR) is the Lab’s tech transfer initiative, enabling businesses to work directly with scientists and engineers to market technologies developed or licensed from the Labs. Finally, the Community Technical Assistance (CTA) program provides short-term, limited

assistance of lab scientists and engineers to entities facing technical hurdles that overlap with LANL capabilities. Together, these programs have significant economic benefits as shown in the graphic at right.

LANL has formal workforce development partnerships with regional colleges and high schools for educational programs or skill development to prepare future LANL staff. Current partnerships include Associate’s Degree

programs in Radiation Protection and Engineering Machining Technologies with Northern New Mexico College and Santa Fe Community College; a Bachelor’s Degree program in Mechanical Engineering with the University of New Mexico; and high school craft partnerships with the unions, UNM-Taos, Santa Fe Community College, Luna Community College and the following high schools: Pecos, Taos, Questa, Bernalillo, Los Alamos, and Santa Fe ECHO. LANL also provides thousands of summer internships to New Mexico and non-New Mexico residents every year. In 2022, the LAB launched the New Mexico Lab-Embedded Entrepreneur Program (New Mexico LEEP), which provides a two-year fellowship for entrepreneurs focusing on deep tech for national security.

Significant focus is given to LANL’s small business procurement efforts, which enable local companies to offer products and services to the Lab. In 2022, LANL spent \$915,988,873 on goods and services in New Mexico, and \$613,504,167 with New Mexico small businesses. LANL contracts are recognized by the community as a prime means to help local businesses grow and increase wages, particularly in surrounding lower-income communities. One good example of a successful procurement partnership is the mentor-protégé program between Triad National Security and Pueblo Alliance, LLC which was formed in October 2020. Triad provided mentorship in business planning, business development, marketing, proposal development, and quality assurance, which resulted in formation of a joint venture company between Tsay Corporation and San Ildefonso Services, owned by the Pueblos of Ohkay Owingeh and San Ildefonso. The Pueblo Alliance now provides staffing solutions for LANL and other U.S. Department of Energy entities. In 2022, LANL contracted with the company to create a new distribution center outside Española to address LANL’s uptick in shipping and procurement needs.



Source: [LANL 2022 Economic Impact on New Mexico](#)

REDI Plan, 2009

Adopted by Los Alamos County in 2009, the REDI Plan identified a set of five regional goals, based on needs identified through SWOT analysis. The Plan focused on the four industry clusters of Renewable Energy/ Clean Industry, Media, Technology, and High-Value/Value-Added Agriculture, which were prioritized by stakeholders across the four-county region and were key to implementing the Plan’s goals. A table showing how the REDI Plan clusters align with target industries from other planning documents can be found in Table 12.

Table 9: REDI Plan Needs and Goals

Regional Needs	Goals
1. NM, and northern NM in particular, are overly dependent on government jobs and investment. Private sector is weak.	1. Diversify the economy.
2. NM has some of the lowest educational indicators in the US, and rural schools typically lag behind.	2. Develop a high-quality workforce.
3. Taos and Rio Arriba counties have very low incomes and high poverty rates.	3. Increase the number of higher-paying jobs.
4. Northern NM suffers from “brain drain” of its best and brightest, who move away for better economic opportunities and lower costs of living.	4. Retain and attract youth and families.
5. BBER is projecting a substantial shift in NM’s population to the urban areas.	5. Make rural communities vibrant.

Upon its adoption in 2009, the REDI Plan recommended that Los Alamos County invest in several initiatives, including Regional Broadband, Cluster Strategies, Economic Development Services (business retention and attraction), Human Capital (workforce development), and an annual State of the Region Conference, all of which were contracted to the RDC for implementation.

The Regional Broadband initiative was implemented through the establishment of REDI Net, which was funded by the National Information and Telecommunications Administration (NTIA) in 2010. Now in its tenth year of operation, REDI Net is owned, managed and operated by a coalition of local and tribal governments and is working on expansion plans throughout the region. A similar NTIA investment, and subsequent federal grants awarded to Kit Carson Electric Cooperative in Taos, have provided high-speed broadband to most Taos County businesses and residents, primarily through fiber-to-the-home technology.

Finally, Cluster Strategies for the target industries and the intersections among them were developed during the implementation phase of the Plan. While industry leaders were identified for each strategy, only some elements were ultimately carried out. In some cases, changing conditions prevented the strategies from being implemented as planned. The lack of follow-through can be partially attributed to diluting the focus among too many initiatives, something that stakeholders for this Plan update have cautioned against.

The 2009 REDI Plan also reflected a strong emphasis on LANL technology, tech transfer and tech commercialization. However, before the change in Lab management to Triad in 2018, LANL shifted its economic development focus to be more community driven. LANL’s Community Partnerships Office is now strongly focused on technical assistance, workforce development for trades, and procurement opportunities for local businesses. This trend is seen across the region as communities and organizations shift their focus to support job growth in areas which benefit lower-income, rural communities, and which align with the demographics and needs of those communities.

NCNMEDD Comprehensive Economic Development Strategy (CEDS), 2021

The U.S. Economic Development Administration (EDA) requires that every project submitted to the EDA for grant funding align with a regional CEDS. Economic development districts such as NCNMEDD are required to develop or update their CEDS every five years. NCNMEDD updated its CEDS in 2021 for its region, which includes the counties of Santa Fe, Los Alamos, Rio Arriba, Taos, Colfax, Mora, and San Miguel, as well as the rural areas of Sandoval County.

Table 10: CEDS Themes and Goals

Theme 1: Build on Existing Strengths	Theme 2: Go Big with Emerging Opportunities	Theme 3: Enhance Regional Infrastructure & Partnerships
Goal 1.1: Continue to foster tourism by promoting the region’s authenticity and leveraging assets toward economic diversification.	Goal 2.1: Employ the region’s natural assets to become a major player in the renewable energy sector.	Goal 3.1: Provide robust broadband to every household in the region.
Goal 1.2: Support industries rooted in traditional livelihoods.	Goal 2.2: Expand emerging technologies and associated manufacturing, particularly in bioscience.	Goal 3.2: Ensure that quality affordable housing options exist for young adults, families and the workforce.
Theme 1: Build on Existing Strengths	Theme 2: Go Big with Emerging Opportunities	Theme 3: Enhance Regional Infrastructure & Partnerships
Goal 1.3: Increase local procurement and trades employment with federal contract opportunities.	Goal 2.3: Expand local manufacturing and associated opportunities for warehousing, distribution and global trade through the region’s transportation network.	Goal 3.3: Bolster small business support services throughout in the region.

In the CEDS, all communities in the region prioritized the five sectors of Outdoor Recreation, Film and Television, Professional and Technical Services, Specialty Manufacturing, and Health Care. While all communities spoke favorably about Green Energy and Agriculture, these sectors were highly ranked in counties that possess particular assets, such as wind, sun and water. San Miguel, Mora and Taos counties also identified Educational Services as a priority sector. Both Agriculture and Educational Services are associated with other sectors prioritized by all counties, such as Specialty Manufacturing of food products and Professional, Scientific and Technical Services.

New Mexico Economic Development Department (NMEDD)

The vision of NMEDD’s recent economic development plan, *Empower & Collaborate: New Mexico’s Economic Path Forward* (Center for Innovation Strategy & Policy at SRI International, October 2021) is to build a diverse and robust economy that engages local talent, cultivates innovation, and delivers prosperity for all New Mexicans.

Empower & Collaborate states that while other regional economies have actively pursued new opportunities for high-skill, high-wage jobs, New Mexico has continued to rely on a few core industries—retail, agriculture, oil and gas, and government, including its federal national laboratories. This approach has resulted in inconsistent growth, limited economic opportunities for many New Mexicans, inability to capitalize upon state assets, and volatility which hinders recovery from events like the Great Recession and the COVID-19 pandemic.

Similar to the structure of the 2009 REDI Plan, *Empower & Collaborate* identifies six challenge areas for New Mexico’s economy, which are addressed through several overarching strategies and priorities, shown in Table 9.

Table 11: Empower & Collaborate Challenge Areas and Strategies

Challenge Areas	Strategies
1. Lack of collaboration between economic development stakeholders.	1. Collaborative New Mexico: Modernize New Mexico’s Economic Development Ecosystem
2. Difficulty attracting and retaining talent in urban, rural, and tribal communities.	2. Dynamic New Mexico: Strengthen New Mexico’s Communities
3. Misalignment between higher education and industry.	3. Skilled New Mexico: Reimagine Education and Training
Challenge Areas	Strategies
4. Disengagement of socioeconomically disadvantaged communities in planning processes.	4. Inclusive New Mexico: Promote Equity through Economic Justice
5. Public-sector dominance in New Mexico’s innovation ecosystem.	5. Innovative New Mexico: Enable High-Quality Home-Grown Innovation
6. Concentration of economy in a few key industries.	6. Resilient New Mexico: Diversify New Mexico’s Economy

To jumpstart New Mexico's recovery and transform its economy to become more diversified, resilient, and inclusive, *Empower & Collaborate* identifies nine industries selected for their qualities of stability, high earning potential, job creation, and high employment concentration for the state. These industries are:

- Aerospace
- Biosciences
- Cybersecurity
- Film & Television
- Outdoor Recreation
- Sustainable & Value-Added Agriculture
- Intelligent Manufacturing
- Global Trade
- Sustainable & Green Energy

Despite representing only 10-12% of total employment in the state between 2010 and 2020, several of the industries have steady employment and high employment growth. The industries also complement New Mexico's existing assets and will help address the challenge areas identified in the Plan.

New Mexico Partnership

The New Mexico Partnership is New Mexico's designated single-point-of-contact for businesses which wish to locate in New Mexico. The Partnership uses Prospective Recruitment Opportunities (PROs) to allow individual communities to respond to businesses looking for specific criteria and incentives. In alphabetical order, the Partnership identifies the following as the state's major industries for business attraction:

- Advanced Manufacturing
- Business Headquarters, Support & Sales
- Defense & Aerospace
- Emerging Technologies
- Energy & Natural Resources
- IT & Data Centers
- Logistics, Warehousing & Distribution
- Value-Added Agriculture

Currently, local governments in northern New Mexico participate individually with the Partnership in responding to PROs. No regional approach or collaboration currently exists.

Summary

As shown below, there is good alignment among many of the state’s industry clusters and those prioritized in the north central region. The region also has several priority sectors (Professional Services, Health Care, and Educational Services) which are not prioritized by the state, and vice versa. To build on the sectors that do align, the region and the state could increase collaboration. This would prevent regional efforts from operating in silos and enable the region to take full advantage of statewide resources and opportunities.

Table 12: Alignment of REDI Plan Clusters with Other Planning Documents

State & Regional Alignment?	REDI Plan (2009)	NCNMEDD CEDS (2021)	NMEDD (2021)	NM Partnership (2023)
YES	Technology	<i>Bioscience, Emerging Tech, reflected in goals</i>	Biosciences Cybersecurity	Emerging Technologies
YES	Media	Film & Television	Film & Television	
YES		Outdoor Recreation	Outdoor Recreation	
YES	High-Value/ Value-Added Agriculture	Agriculture	Sustainable & Value- Added Agriculture	Value-Added Agriculture
YES		Specialty Mfg.	Intelligent Mfg.	Advanced Mfg.
YES	Renewable Energy/Clean Industry	Green Energy	Sustainable & Green Energy	Energy & Natural Resources
PARTLY		<i>Warehousing & Distribution reflected in goals</i>		Logistics, Warehousing & Distribution
NO		Professional & Technical Services		
NO		Health Care		
NO		Educational Services		
NO			Aerospace	Defense & Aerospace
NO			Global Trade	
NO				IT & Data Centers
NO				Business Headquarters, Support & Sales

IV. Major Themes and Project Recommendations

This section elaborates on the Summary Table provided in Section I: Executive Summary. It provides an overview the major themes which emerged from analyzing changed and unchanged conditions since the original REDI Plan was completed in 2009, and comments from the SWOT sessions, as shown in Appendix A.

1. Regional Collaboration

In the SWOT sessions, the prominence of the broad topic of “Governance” was unexpected. Depending on the county and the specific issues discussed, Governance was variably identified as a strength, weakness, opportunity or threat. Some participants noted that their leadership works together to address tough issues, while others cited duplication of effort, competition, and political dysfunction. Primarily, however, participants agreed on the benefits of increasing regional cooperation and discipline in focusing on one or two priorities arising from the REDI Plan update, rather than many.

Two regional organizations operate in northern New Mexico. The Regional Development Corporation (RDC), was founded in 1996 as a U. S. Department of Energy Community Reuse Organization (CRO). The RDC developed the original REDI Plan and is updating the plan through a subcontract with the North Central New Mexico Economic Development District (NCNMEDD), which was formed in 1967 as the council of governments for eight counties in north central New Mexico. NCNMEDD assists local and tribal governments to obtain funding for and manage infrastructure, community, economic development, and workforce projects. Both organizations have loan funds for small businesses, and both are partnering to implement the Workforce Integrated Network (WIN), discussed below.

In addition to work conducted by the regional organizations, the REDI counties and others partner on many successful regional initiatives, including the North Central Regional Transit District (NCRTD) and REDI Net. Building on the current capacity and collaboration of regional organizations and other partners will provide a solid foundation for REDI’s implementation in the years to come.

Projects recommended for consideration include:

- a. **Sponsor a regional roundtable where communities can freely share challenges and opportunities and assist one another with resources and expertise.** For example, Los Alamos County, with its higher level of resources and experienced staff, can serve as a resource for technical assistance and support. Among our local and tribal governments, regional organizations, and other partners, there is substantial technical expertise which could be leveraged to benefit the region.

- b. Develop a regional marketing campaign which integrates tourism and economic development.** Northern New Mexico's reputation for natural beauty and cultural assets can impart a quality of life that is attractive to small innovative businesses, entrepreneurs, and home based workers who want to grow, develop technology, and/or manufacture products in a more sustainable way. A regional marketing campaign would have numerous benefits, including reducing costs to individual communities, maximizing impact and visibility, recruiting new and innovative businesses, and encouraging new local business formation and growth.

2. Business Development

The RDC is the go-to resource for small businesses in northern New Mexico. It has a multi-year contract to implement the REDI Plan, including training for economic development organizations (EDOs), business retention and expansion (BR&E) efforts, small business and financial services, and human capital initiatives. It also receives an annual investment from LANL to carry out economic diversification and job growth initiatives identified in Triad's Community Investment Plan.



The RDC's role is significant because, according to the SBA, small businesses make up 99% of all businesses in New Mexico. 53.7% of employees in New Mexico work for small businesses. Nowhere is this truer than in northern New Mexico. There are a number of anchor businesses in the Santa Fe and Los Alamos area, but they are the exception to the rule. And those anchor businesses rely on smaller businesses to meet their needs, providing a growing number of opportunities for local entrepreneurs and creative suppliers.

Northern New Mexico's small businesses are diverse, reflecting the region's rich traditions, arts and culture, handmade goods and locally grown foods, natural beauty, and technology assets. Arts and culture attract not only both domestic and international tourists but nationally renowned artists as well. Visitors who come to New Mexico for the arts join outdoor enthusiasts in enjoyment of the region's scenic beauty and outdoor recreation opportunities, from fishing and boating to birding and photography to cycling, hiking, skiing, and camping. This myriad of outdoor activities is also supported by small businesses throughout the region.

Locally produced goods and services, from food products to recreation equipment, are in high demand. The foods of northern New Mexico are legendary. In addition, the region's technological resources, particularly in Santa Fe and Los Alamos, provide assistance to

entrepreneurs for development of new products and enhancement of traditional manufacturing as well.

The RDC has historically provided this wide range of businesses with coaching, start-up and expansion assistance, financing, and access to capital. It plans to expand these core efforts by convening industry employers around common challenges and goals, strengthening support services like accounting and legal, and developing platforms and forums to showcase the region's talent and products.

Projects recommended for consideration include:

- a. Continue to build economic development capacity throughout the region through economic development events, small business training, and coaching and mentoring.** The RDC will continue to host events on basic economic development programs, tools and selected topics. Events feature experts in key areas of such as business attraction, strategic planning, economic development finance, real estate development, credit analysis, small business development, business retention/expansion, workforce development, technology-led economic development, economic development ethics and other pertinent topics. In addition, the RDC will provide “economic development minutes” or brief intros on select topics, by partnering with others at regional and local events.

The RDC will also continue to provide structured training through workshops and individual coaching that address all aspects of business, including planning, finance, marketing, manufacturing, and workforce. Workshops can be both in person and virtual and will be tailored to local business needs and interests. The RDC will engage partners with expertise in specific topics to assist with workshops and training. The RDC will also continue its one-to-one mentoring, training, and connections to resources for local leaders and economic developers on topics of concern or interest.

- b. Strengthen support services for small businesses, such as legal, human resources, and accounting.** Northern New Mexico has a weak private sector, particularly in the Finance and Management sectors. One result is a lack of support services at all levels. This gap in services impacts all businesses but is particularly challenging for small businesses and entrepreneurs who lack expertise and connections in these critical areas. The RDC can play a key role in training workforce in finance, management and professional services through apprenticeships, internships, and work-based learning; by assisting new start-ups; and helping existing businesses to grow and expand. Jobs in finance, management, and professional services are good jobs. They are high-paying, can often be done remotely, and can evolve into economic base opportunities marketed to the region, state, and beyond.

- c. Increase outreach to existing and startup businesses in the region, including agribusiness, tourism, outdoor recreation, manufacturing, foods, technology, and other businesses.** The RDC is in the process of reinvigorating its outreach efforts through a new strategic plan. Strategic plan activities will be aimed at reaching small to medium sized businesses within the region, generating new contacts through a variety of sources, and responding to referrals and other requests for assistance. The RDC’s approach is to be a problem-solver and ally, and to provide ongoing support for the business. This includes helping the business define its needs, connecting the business to partners and resources, and offering access to RDC funding opportunities as well as other sources of capital.
- d. Conduct industry specific roundtables to promote collaboration and problem solving.** The RDC will work with businesses to identify common problems related to any business concern. Where issues are identified, the RDC will identify the appropriate sector partnerships and engage the appropriate strategic partners. This includes working with the LANL’s Small Business Assistance Program or New Mexico MEP for technical issues, workforce partners on workforce issues, and city/county officials and local economic developers on regulatory and permitting challenges. Again, the RDC will serve as a problem solver to break down the barriers that hinder small businesses.
- e. Produce an annual physical marketplace event and an online marketplace for RDC clients.** The RDC has assisted a large number and wide variety of small businesses, both tribal and non-tribal, to become producers and manufacturers of many consumer and commercial products and services. The RDC can help those businesses promote their products and services by hosting an annual marketplace event and an online marketplace showcasing their work.
- f. Expand RDC-led business development efforts with a regional approach to business attraction and PRO responses.** While business attraction typically benefits larger communities outside of northern New Mexico, communities in our region would benefit by having the RDC vet PRO opportunities with a lens on individual community assets across the entire region. An opportunity that may not fit in most communities may be right for another. Having a “bird’s eye” view of the whole region is a strategic way of doing business attraction so it benefits rural communities.

3. Workforce

Workforce availability, the quality of local talent, and workforce training was discussed at length in each of the four SWOT sessions. Participants generally viewed existing institutions of higher education and their workforce training programs as strengths, but found the quality of local schools to be uneven throughout the region. There was a general concern that northern New Mexico is losing its youth and college graduates to places of greater opportunity. This was also reflected in *Empower & Collaborate*, which cited low population growth, out-migration of young people, and difficulty attracting young professionals, especially in the rural areas. REDI stakeholders commented on the opportunity to attract young people through remote work, which could be an advantage for the region.



The emphasis on workforce was present in the original REDI Plan, but the hiring environment is very different today. Influenced by post-pandemic trends, employers across the nation are struggling to find workers. This is pushing wages upward for jobs in most industries and provides a rare opportunity to address low incomes throughout the region, particularly in the rural areas.

Another difference from 2009 is the region's opportunity to capitalize on a highly competitive, \$6.4 million EDA Good Jobs Challenge grant, awarded to the NCNMEDD, the RDC, Santa Fe Community College, and other partners in 2022. The grant is funding the Northern NM Workforce Integrated Network (WIN) to recruit employees in the health care and skilled trades sectors. These sectors are critical for northern NM, with its aging population, shortage of doctors and nurses, and high demand for craft workers at LANL and its subcontractors. The project has a strong equity focus. Among the populations targeted for job placement include youth, minorities, low-wage/low-skilled workers, and individuals transitioning from substance abuse recovery and the criminal justice system. This project grew organically from past and existing REDI human capital initiatives, such as Accelerate, the Workforce and Academic Network, and the Higher Education Workforce Project.

Projects recommended for consideration include:

- a. **Provide long term funding for the Workforce Integrated Network (WIN) so this critical project can continue beyond the EDA Good Jobs Challenge grant, which ends in 2025.** In addition to health care and skilled trades, the WIN job placement platform can be and is already being leveraged for other sectors, such as agricultural and culinary career pathways supported by [Innovate+Educate](#),

and professional/technical services for local businesses hoping to subcontract with LANL.

- b. Develop private sector leadership for key industries.** As discussed in Section II, New Mexico and northern New Mexico are historically dependent on government employment. Northern New Mexico's private sector consists primarily of small businesses, most of which do not have sufficient time or resources to become involved in industry groups. As a result, government entities lead most economic development initiatives. If the region is to diversify, it is critical to shift the current paradigm and place industry at the center of regional economic development. Using the WIN project as a springboard, NCNMEDD and the RDC are already convening industry leaders in the trades/construction and health care sectors. This process should continue and intensify through REDI initiatives. One key strategy is for government to truly act upon articulated private sector priorities which are in the government wheelhouse, like workforce housing, broadband, and standardized curriculum. This would provide support and resources for private sector businesses to grow and prosper and would lay a foundation for successful public-private partnerships in the years to come.
- c. Implement standardized high school curriculum for trades and health care.** While Northern New Mexico benefits from numerous programs and initiatives focused on youth, including LANL internships, work-based learning opportunities, and programs like [College and Career Plaza](#) within the Santa Fe public schools, employers have articulated a need for standardized high school curriculum. Approved curriculum already exists through programs like MC3 union apprenticeships and NCCER (National Center for Construction Education and Research). However, implementation requires leadership and development of a pipeline of trainers who can implement these programs throughout the region.

4. **Climate Change and Renewables**

Stakeholder input for this Plan update reveals strong interest in advancing renewables and climate resiliency. In the SWOT sessions, stakeholders discussed the region's natural attributes for solar and wind. While individual local and tribal governments and businesses are participating in the renewables sector, there is no regional sector leadership in place at this time.



REDI Plan stakeholders recognize the opportunities emerging as a result of the Inflation Reduction Act (IRA), passed in August 2022. The IRA is the single largest investment in climate and energy in U.S. history. It makes major investments in domestic energy production, clean energy manufacturing, and sets the U.S. on a path to achieving its

climate change goals, including a net-zero economy by 2050. These goals are reflected at the state level, with New Mexico's Energy Transition Act (ETA) requiring 100% zero-carbon electricity for utilities by 2045 and rural electric cooperatives by 2050. Los Alamos County has pledged a more ambitious goal of 100% zero-carbon electricity by 2040.

The region also has the benefit of LANL's groundbreaking work on climate change. In addition to serving as a national leader in hydrogen research, the Lab is working on technologies to support systemic change, including reduction of plastic waste. LANL and the University of New Mexico are also providing the research for I-WEST, a consortium of six states (Colorado, New Mexico, Arizona, Utah, Montana and Wyoming) whose goal is to scale down national energy use and carbon emissions at the local level. The consortium's recent [Phase I report](#) highlights technologies that can help facilitate the energy transition from fossil fuels in the Mountain West region, including turning Co2 into fuel. This expertise places Los Alamos in a leadership role, including the ability to foster change at the state level.

Renewables and climate change have become more tangible due to the increased number, scale, and unpredictability of disasters in recent years. Recent climate caused disasters, including several in the north central region, have brought the need for resiliency to the forefront. Strategic investments in renewable and resilient infrastructure can be game-changing for the regional economy, ushering in new, high paying jobs that are well matched with the environmental priorities and needs of the region. The sector integrates various levels of job opportunities, including professional and support services, research and development, testing and engineering, installation and maintenance, and manufacturing and sales. In this way, it promotes equity by providing opportunities for workers at all levels of education and career development.

Projects recommended for consideration include:

- a. Develop a regional strategy for Renewables sector.** Due to the lack of leadership in this sector, there is a need to document current assets and projects across the region, including workforce training programs, tribal projects, hydrogen research at LANL, and to engage with the New Mexico Renewable Energy Transmission Authority (RETA). Once those steps are completed, the region can begin to work toward a strategy for job growth via local businesses and new business formation.
- b. Establish the region as a national leader in place-based climate resiliency.** There is great opportunity to build upon LANL's strong expertise in technologies that help address climate change at a more systemic level. Also, with the national disasters experienced in northern New Mexico, including previous wildfires in Los Alamos County and the recent Calf Canyon/Hermit's Peak fire in Mora, San Miguel and Colfax counties, the region can apply its growing expertise in climate resiliency.

5. Housing Infrastructure

Housing has taken on renewed importance due to a number of factors (supply chain issues, high material and labor costs, worker shortages and stagnant production) in play at the national level. Mirroring national trends and exacerbated by long-standing local issues such as old housing stock and high home prices, housing is the most frequently mentioned infrastructure need in the region. Today's crisis in housing affordability and availability is



impacting far more than business attraction efforts. In most communities, housing deficiencies make it difficult to fill positions in the essential local workforce, including teachers, nurses, and public safety workers. The lack of housing and its high cost is also a barrier to retaining young people and recent college graduates in their home communities. In the region's communities which rely on tourism, the service sector workforce is priced out of the housing market, which is often saturated by second homes and vacation rentals.

Los Alamos County, Santa Fe County, and the City of Santa Fe have developed programs to keep people housed, develop housing, and incentivize housing development. The Town of Taos is moving in a similar direction. However, Taos County, Rio Arriba County, and the City of Española do not have housing programs or staff of their own. Several of these communities are currently being assisted by NCNMEDD's housing technical assistance program, funded by the New Mexico Mortgage Finance Authority, which provides preliminary site plan and pro forma development for housing projects.

Projects recommended for consideration include:

- a. **Encourage developers to build new housing targeted to local workforce.** All employers in northern New Mexico are struggling to find housing for their workforce. LANL has approximately 1,500 vacancies per year and local governments regionwide have high employee vacancy rates, partly because they lack housing to recruit new hires. Many of these employees will not be low or moderate income; however, local governments can assist developers by identifying available, privately owned sites; streamlining permitting processes; and possibly assisting with infrastructure development. Also, more LANL openness and press about its growing job opportunities would help developers understand the demand and better assess their risk.
- b. **Provide matching funding for housing projects.** Like broadband, housing projects are extremely expensive and almost always require local resources as part of the capital stack. Los Alamos County could prioritize investments in

housing projects that support Los Alamos employers, including LANL, as well as projects that benefit neighboring small communities which are unlikely to attract mainstream developers.

- c. **Support NCNMEDD to establish a regional housing trust.** NCNMEDD is in the early stages of researching a regional housing trust, through which it could acquire, rehab, and sell housing stock, and potentially develop new housing stock, to meet the needs of various communities. The larger, regional scale would spread out the risk among numerous projects and would provide options for smaller communities which lack their own internal capacity to develop housing or manage a housing program. NCNMEDD needs both technical expertise and funding to launch the housing trust.
- d. **Sponsor housing summits and other events to mobilize housing projects and initiatives.** Regional collaboration is needed to effectively plan and develop critical housing for communities and workforce. Due to its expertise in housing and its experience with numerous projects including senior, Low-Income Housing Tax Credit, and workforce housing projects, Los Alamos County is a natural leader in this area and should continue to organize regional summits and events.

6. Broadband Infrastructure

Broadband continues to be a primary infrastructure concern in this Plan update, as it was in the original REDI Plan and the NCNMEDD CEDS. A major accomplishment of the 2009 REDI Plan was securing \$10.6 million in federal funding for the REDI Net middle mile broadband network in Rio Arriba and Santa Fe counties, as well as funding for Kit Carson Electric's fiber to the home



deployment in Taos County. REDI Net is significant because it is a community-based, open access network, meaning that it is not proprietary and that last-mile providers which meet minimum quality standards can tie in at affordable rates.

Nevertheless, most residents and many businesses outside of Taos County still lack high-speed internet, with needs being especially acute in rural and remote communities. Continued gaps in high speed broadband represents a major barrier to business expansion and attraction throughout the region. More collaboration is clearly needed to enable interconnections, redundancy, middle-mile expansion, and last-mile services. Los Alamos County, in particular, still lacks a redundant fiber path for government, businesses and residents alike.

The broadband environment in the REDI region has become much more complex since the completion of REDI Net in 2013. Incumbent carriers such as Windstream have expanded and upgraded their services without using REDI Net’s middle mile, which enables them to retain their near monopoly with last-mile customers. And with significant amounts of federal and state funding now available for broadband, a multitude of established providers and new entities are applying for grant funds, including rural electric cooperatives which represent good last-mile partners for REDI Net. While REDI Net is also applying for grants to build out middle-mile fiber to unserved and underserved areas, it is competing with many better resourced companies who have funding to not only apply for grants, but also to challenge REDI Net’s applications.

Projects recommended for consideration include:

- a. Provide matching funds for broadband projects.** Over the next several years, REDI Net, communities, rural co-ops, and other broadband providers may competitively apply for IJA funds from NTIA or from the state’s Connect New Mexico program. While these funds provide tremendous opportunity, they typically require a local match in the millions of dollars. Offering matching funds for projects which benefit small, rural and under-resourced communities will help level the playing field and provide broadband equity throughout the region.
- b. Provide REDI Net with operational funding and provide technical assistance to develop a sustainable financial model.** Because REDI Net is a middle-mile network which charges affordable rates, primarily to government entities, its revenue growth is limited. REDI Net currently employs one general manager and one part-time comptroller. In order to operate at its full potential, expand into new areas, and ensure affordable service and open access for all, the organization requires more capacity via greater revenue or financial support from the region it serves. This will help ensure that an open-access, middle mile network remains viable for all communities in northern New Mexico.

While not discussed extensively during the SWOT sessions, other infrastructure essential to economic development, including transportation, childcare, regional health care and quality of life improvements have been priorities for Los Alamos County for many years. This Plan recommends that the County continue its investments in these areas. Projects in this category range from critical health and safety infrastructure to MainStreet and pedestrian improvements, to attraction of critical businesses such as grocery stores. It is notable that infrastructure deficiencies are typically more severe in rural areas. In 2021 and 2022, the State of New Mexico formed a Rural Economic Opportunities Task Force and commissioned a report which points to severe water, wastewater and other infrastructure deficiencies in our rural areas, including counties like Rio Arriba and Taos. The high concentration of infrastructure deficiencies in rural areas is an equity issue in our region and New Mexico as a whole.

7. Funding

REDI's funding strategy is shaped by the fact that federal funding opportunities exist at an unprecedented scale for the next five years. Following on the heels of significant disaster relief from the Coronavirus pandemic, the federal government passed the Infrastructure Investment and Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law (BIL), in November 2021. IIJA is an extraordinary investment in U.S. infrastructure. The law authorizes \$1.2 trillion for transportation and infrastructure spending, including for energy, broadband, and water infrastructure. Some of the funding is available through competitive grants issued by federal agencies, with most funding flowing through established federal programs administered by states. Funding will be made available over a five-year period, rather than in a short one or two-year window, as was the case with the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

IIJA and the Inflation Reduction Act of 2022, discussed previously, represent once-in-a-lifetime opportunities for north central New Mexico communities to obtain grant funding for infrastructure projects. However, along with these opportunities come challenges of matching funds and capacity for grant writing, implementation, and project management. This Plan and regional cooperation are key to ensuring that north central New Mexico capitalizes on new funding to address the infrastructure deficiencies that continue to hold our region back.

This Plan recommends that:

- a. Los Alamos County develop or partner with other entities on recurring funding sources and/or a matching fund or funding pool for the region.**
- b. In terms of the County's current investments, priority should be given to:**
 - Projects that will leverage the greatest amount funding from federal, state and other sources.
 - Projects that promote equity in the region by improving conditions in small, rural, and/or under-resourced communities.
 - Projects that are regional, utilize a regional platform, or are replicable among communities.

Appendix A: SWOT Session Summaries

Rio Arriba County

The SWOT Session for Rio Arriba County was held on April 21, 2022 and included the following participants:

North Central Regional Transit District: Anthony Mortillaro, Delilah Garcia
Small Business Development Center/Northern New Mexico College: Julianna Barbee
Ohkay Owingeh: Christy Ladd

Key topics of discussion included:

- **Governance:** The group shared that politics sometimes holds up progress and also leads to duplication of efforts. Improving partnerships to reduce these inefficiencies was highlighted. The group believed that a consistent vision among leaders would give larger initiatives a greater chance for success.
- **Data:** Related to governance and the roles of our participants, the group expressed that some of their organizations deal with a lot of data. They wanted to ensure that REDI and other projects were being led in a way that includes visible metrics in order to determine success or otherwise adjust the approach.
- **Tourism/Recreation:** Ohkay Owingeh has a 42-acre outdoor recreation facility that is intended to support outdoor recreation interests of the larger region. While fully funded, the organizers would like more collaboration and participation in planning and activities from partners and others in the region. Although not discussed in the SWOT session, Rio Arriba County is also planning a regional recreation facility.
- **Support for Local Business:** There was interest in finding ways to encourage more visitors and travelers to support local and tribal businesses.
- **Transportation:** There was a desire to rethink and develop strategies for a more regional approach to transportation. Two of the four participants were from the North Central Regional Transit District.

Rio Arriba County SWOT Summary			
Strengths	Weaknesses	Opportunities	Threats
<p><u>Workforce</u></p> <ul style="list-style-type: none"> Northern NM College trades programs Northern NM El Rito Campus <p><u>Industries</u></p> <ul style="list-style-type: none"> Agriculture Recreation Tourism Arts Creative experiences Creative entrepreneurship <p><u>Governance</u></p> <ul style="list-style-type: none"> The community's willingness to address difficult topics <p><u>Other</u></p> <ul style="list-style-type: none"> Our traditions and cultures 	<p><u>Workforce</u></p> <ul style="list-style-type: none"> Creating living wage jobs <p><u>Industries</u></p> <ul style="list-style-type: none"> Attracting industries, businesses other than fast food <p><u>Infrastructure</u></p> <ul style="list-style-type: none"> Overall maintenance of the community Infrastructure needs to be updated and expanded to ensure capacity for growth Affordable housing Mental health and addiction resources <p><u>Governance</u></p> <ul style="list-style-type: none"> Consistent vision needed for the future from county and city working together Politics can get in the way of things Duplication of community services <p><u>Other</u></p> <ul style="list-style-type: none"> Negative perceptions of our area are highlighted by media 	<p><u>Industries</u></p> <ul style="list-style-type: none"> Creative cultural entrepreneurship Support local and tribal businesses <p><u>Infrastructure</u></p> <ul style="list-style-type: none"> Expanding public transit so the workforce can access job opportunities LANL facilities locate in community <p><u>Funding</u></p> <ul style="list-style-type: none"> Increased federal funding (IJA/BIL) <p><u>Governance</u></p> <ul style="list-style-type: none"> City council and tribal government working together Coordination of efforts and less redundancy <p><u>Other</u></p> <ul style="list-style-type: none"> Positive marketing 	<p><u>Workforce</u></p> <ul style="list-style-type: none"> Lack of workforce preparation for industry sectors we seek to attract Workforce challenges Youth leaving for better opportunities <p><u>Infrastructure</u></p> <ul style="list-style-type: none"> Broadband weakness Changes in funding environment <p><u>Governance</u></p> <ul style="list-style-type: none"> Competing priorities and agendas Dependent on government resources mindset <p><u>Disasters/Resiliency</u></p> <ul style="list-style-type: none"> On-going Pandemic and economic fallout Global events that impact fuel prices and costs of goods <p><u>Other</u></p> <ul style="list-style-type: none"> Growing sector of aged residents and insufficient health services

Los Alamos County

SWOT Sessions for Los Alamos County were held on April 21 and 24, 2022 and included the following participants:

Los Alamos Commerce and Development Corporation: Ryn Hermann
Los Alamos County: Randall Ryti, David Reagor, Steve Lynne, Dan Ungerleider. Danielle Duran
Los Alamos National Laboratory: Kathy Keith
UNM Los Alamos: Paul Allen

Key topics of discussion included:

Data, IT, and Quantum Computing: The most successful companies that have spun off from the Lab and stayed in our region are data or IT based. Of particular interest is the development around Quantum Computing where LANL and New Mexico are on the leading edge and LANL Chief Scientist John Sarrao has been working on developing a strategy to ensure economic impact locally, as well. Participants asked how Los Alamos remains the leader in this area and converts its leadership into economic gain and jobs for the region.

Energy: Participants emphasized that climate change is pushing forward a carbon neutral economy and asked how this impacts the region and what opportunities exist. The U.S. Department of Energy (DOE) is emphasizing approaches to energy that recognize the need for decarbonization or removing oil and gas from our energy portfolio. For LANL this includes investment and interests in the hydrogen economy in the southwest. Additionally, given oil and gas production in Rio Arriba County, this may provide local opportunity to assist in the transition to renewable sources.

JUSTICE 40: DOE has adopted the “Justice 40” initiative to combat climate change. This may represent an opportunity to enhance LANL’s environmental capabilities.

Workforce: Trends for LANL run counter to what we’re seeing nationally: Instead of an aging workforce, LANL’s average age dropped from 52 to 42 in recent years. The group was curious if other communities see a similar shift, particularly in locations that appear attractive to younger employees and those who can work from home. This change has had unexpected effects, like increased need for daycare and other services that younger demographics most want.

Arts: The group was interested in opportunities to add value to artists’ participation in Santa Fe and other art markets.

Governance: In discussion around the REDI approach, there appeared to be consensus that efforts coming out of the REDI plan focus on only one or two priority efforts. *“We need to have the discipline to pick two. And to do them to do them well over a long term, rather than to pick nine and spread the butter so thin, that we really never get traction anywhere.”*

Other: There was an interest in understanding how the US’s recent investment in domestic manufacturing capability could benefit the region. The group also discussed the target wage of jobs we want to create and how to address the disparity between tech jobs at \$97,000 compared to service sector and tourism jobs at minimum wage.

Los Alamos County SWOT Summary			
Strengths	Weaknesses	Opportunities	Threats
<p><u>Workforce</u></p> <ul style="list-style-type: none"> • Experienced workers • Intellectual capacity (1000's of the world's brightest minds inscience) • Diversity of culture and human capital • Educated work force • Young workers • School system <p><u>Industries</u></p> <ul style="list-style-type: none"> • NMSBA Program • NM LEEP • Environment and outdoors • Skiing and variety of outdoor recreation opportunities <p><u>Governance</u></p> <ul style="list-style-type: none"> • Supportive county government • Partnerships • People 	<p><u>Workforce</u></p> <ul style="list-style-type: none"> • Lack of experienced entrepreneurs who can scale a business • Lack of workforce • Short on construction trade training • Inequitable educational opportunity inthe region <p><u>Infrastructure</u></p> <ul style="list-style-type: none"> • Land to develop • Limited real estate for private investment • Lack of housing • Expensive housing • Missing middle housing • Public transportation <p><u>Other</u></p> <ul style="list-style-type: none"> • Silver tsunami • Inequality • Poverty 	<p><u>Workforce</u></p> <ul style="list-style-type: none"> • Engaging youth for science careers • Great place for remote work <p><u>Industries</u></p> <ul style="list-style-type: none"> • Momentum, investment, and support around electrification movement • Outdoor opportunities • LANL spin offs • New Energy economy • Carbon free power <p><u>Governance</u></p> <ul style="list-style-type: none"> • Problem solving ability with Los Alamos County <p><u>Funding</u></p> <ul style="list-style-type: none"> • Govt' funding offers stability during a national recession 	<p><u>Workforce</u></p> <ul style="list-style-type: none"> • Finding skilled labor to build infrastructure needed for economic growth (new roads, housing, commercial buildings) • Getting college grads to return or stay in the region • Funding for trade schools • Lack of skilled labor <p><u>Funding</u></p> <ul style="list-style-type: none"> • Downturn in federal funding would affect LAC • Change in federal priorities and related spending • Supply chain • Change in state attitude toward LANL

Taos County

The SWOT Session for Taos County was held on April 25, 2022 and included the following participants:

Kit Carson Electric: Eric Sanborn
Taos Pueblo: Shawn Duran, Vernon Lujan
Taos HIVE: Rose Reza
Town of Taos: Pascual Maestas

Key topics of discussion included:

Tourism/Outdoor Recreation: The group expressed that Outdoor Recreation efforts need to be balanced with environmental needs and protection of natural resources. Natural disasters such as wildfire can result from outdoor recreation, and we need to consider displacement and additional costs.

Workforce: There is a disconnection between jobs in high tech/high growth industry segments mentioned in different plans and the kids in our schools. We must ensure there's a pathway and that there are also opportunities for people who aren't geared toward high growth industry sectors. The region should consider the full spectrum of employment needs.

Governance: The timing of the REDI Plan Update may be a special opportunity to reconnect and reestablish a healthy working relationship across the region. There is a desire to participate in and contribute to a plan and strategy that identifies a project, the resources it needs, and really follows through, building accountability and trust in the process. Taos County SWOT Session participants seek a resilient collaboration that persists through challenges and through the long term.

Taos County SWOT Summary			
Strengths	Weaknesses	Opportunities	Threats
<p><u>Workforce</u></p> <ul style="list-style-type: none"> • UNM Taos • UNM Taos -HIVE <p><u>Industries</u></p> <ul style="list-style-type: none"> • Gigabit founder networks • Solar arrays, and planning towards a more sustainable micro-grid electric system • Biotech initiatives • Project to build two-way transmission line for renewable power import and export <p><u>Infrastructure</u></p> <ul style="list-style-type: none"> • Leading technology infrastructure • Housing effort with Project Moxie, NCNMEDD, Town of Taos, Taos County, Questa, etc. • Broadband completion with state and federal funding for students, schools, and community members <p><u>Disasters/Resiliency</u></p> <ul style="list-style-type: none"> • Establishment of the formal Enchanted Circle Community Organizations Active in Disaster • Doughnut Economics and other regenerative economic models to address climate change <p><u>Other</u></p> <ul style="list-style-type: none"> • Water banking • Water Issues & Commitments 	<p><u>Infrastructure</u></p> <ul style="list-style-type: none"> • Housing crisis is impacting health care, educators, workers, etc. • Out migration of youth and limited workforce due to housing crisis <p><u>Governance</u></p> <ul style="list-style-type: none"> • Lack of clear plans and accountability • Historical trauma and ignorance getting in the way of movement forward • Transparency regarding funding; what you have, what you are going after, how it fits to community goals, and where are we collaborating vs. competing • Lack of mechanisms and safe places to develop political will <p><u>Other</u></p> <ul style="list-style-type: none"> • Ecosystem is not balanced 	<p><u>Infrastructure</u></p> <ul style="list-style-type: none"> • Expanding broadband in all of northern NM • Create one integrated high-speed broadband network for all of north central NM with multiple players • Sustainable housing initiative – think Green starting now. What are we waiting for? <p><u>Governance</u></p> <ul style="list-style-type: none"> • Streamlining initiatives • The power of collaboration • Projects where we can model a new kind of politics – servant leadership, bipartisan, serving the whole or something greater than one’s personal desires 	<p><u>Governance</u></p> <ul style="list-style-type: none"> • How we are not funding enough of the right things such as forest and soil health, workforce development • Lack of clear commitment focus areas and goals then how to secure funding collectively for them. • Sometimes, leaders’ inability to know their lane, be 100% accountable for their lane, and truly collaborate across lanes. <p><u>Disasters/Resiliency</u></p> <ul style="list-style-type: none"> • Global warming impact on water • Covid and future pandemics • Drought, high winds, and fire as northern NM’s climate issues. How are we not prepared? <p><u>Other</u></p> <ul style="list-style-type: none"> • Gentrification

Santa Fe County

The SWOT Sessions for Santa Fe County was held on April 25, 2022 and included the following participants:

City of Santa Fe: Liz Camacho

San Ildefonso Pueblo: Peter Fant

Santa Fe County: Paul Olafson, Joseph Montoya, Chris Hyer, Alex Fitzgerald

Key topics of discussion included:

Housing: The group expressed that housing is an essential part of economic development.

Food and Agriculture: Participants supported messaging and efforts to develop the food and agriculture ecosystem which are more geared toward farmers and the state being “independent” about economic development.

Workforce: Recognizing that high tech and high growth are important, and that new opportunities for artisans and specialty manufacturing are good, many people are changing sheets, driving trucks, and engaged in the trades. People at “the lower rungs of the ladder” need to be included because that’s just as critical to the overall success of the region.

Santa Fe County SWOT Summary			
Strengths	Weaknesses	Opportunities	Threats
<p><u>Workforce</u></p> <ul style="list-style-type: none"> • Educated workforce (large percentage of advanced degrees) • Generally, there is coordination among ecosystem providers from workforce, business training, etc. • Learning institutions have a high number of Hispanic and minority students <p><u>Industries</u></p> <ul style="list-style-type: none"> • LANL helps out local manufacturers • Meow Wolf • Tourism Industry • Large number of Galleries, festivals, and folk art recognition • Natural beauty and end of the Rockies (the Rockies *Start* here!) • Outdoor assets, low traffic, general high quality of life • Great weather • Cultural heritage of the Pueblos, World Heritage Sites • World class Art Market (world is Aware!) • Brand recognition for Santa Fe • Amazing Opera • Greer Garson Film Studio • Emphasis on sustainability • Alternative medicine <p><u>Other</u></p> <ul style="list-style-type: none"> • A history of resiliency 	<p><u>Workforce</u></p> <ul style="list-style-type: none"> • Current challenge of LANL recruiting and draining local talent because of highpay • Brain drain and problems retaining talent within the area • Lack of connection into rural schools <p><u>Industries</u></p> <ul style="list-style-type: none"> • Lack of diversity in the economy <p><u>Infrastructure</u></p> <ul style="list-style-type: none"> • Broadband access, digital divide • Broadband for post-production • High cost of living and lack of affordable housing <p><u>Governance</u></p> <ul style="list-style-type: none"> • Agility and process improvements needed at the governmental, institutional level <p><u>Other</u></p> <ul style="list-style-type: none"> • Socioeconomic gap between high end and low end • Adjusting land use regulation to support broader community development • NIMBYism 	<p><u>Industries</u></p> <ul style="list-style-type: none"> • We are well-poised for renewable energy <p><u>Funding</u></p> <ul style="list-style-type: none"> • Federal infrastructure funding <p><u>Governance</u></p> <ul style="list-style-type: none"> • Unified infrastructure efforts • Unified grant hunting • Include Pueblos in “economic development” thinking <p><u>Other</u></p> <ul style="list-style-type: none"> • Over development of other areas (we do focus on quality of life in the region) 	<p><u>Workforce</u></p> <ul style="list-style-type: none"> • Affordability and quality education of other markets <p><u>Industries</u></p> <ul style="list-style-type: none"> • Reliance on tourism <p><u>Funding</u></p> <ul style="list-style-type: none"> • Changes in federal or state policy maybe if we think there will be funding • Recession or economic downturn always possible <p><u>Disasters/Resiliency</u></p> <ul style="list-style-type: none"> • Climate change <p><u>Other</u></p> <ul style="list-style-type: none"> • Distribution channels/networks of other markets • World changes faster than we can adapt for our community and the next generation

