

**SANTA FE COUNTY
BOARD OF COUNTY COMMISSIONERS**

ORDINANCE NO. 2024- 10

AN ORDINANCE

**APPROVING THE 2024 ECONOMIC DEVELOPMENT PLAN; REPEALING
ORDINANCE 2014-007; PROVIDING FOR DETAILED RULES TO BE APPLIED TO
ASSISTANCE OF QUALIFYING ECONOMIC PROJECTS, INCLUDING THE
QUALIFICATIONS OF APPLICANTS, REQUIRING AN APPLICATION, REQUIRING
A PROJECT PARTICIPATION AGREEMENT AND SPECIFYING ITS CONTENTS,
PROVIDING FOR LIMITATIONS ON THE AMOUNT OF ASSISTANCE PERMITTED
PURSUANT TO THE LOCAL ECONOMIC DEVELOPMENT ACT; AND REQUIRING
A SPECIAL FUND FOR MONIES RECEIVED OR HELD FOR AN ECONOMIC
DEVELOPMENT PROJECT.**

**BE IT ORDAINED BY THE SANTA FE COUNTY BOARD OF COUNTY
COMMISSIONERS:**

SECTION 1. SHORT TITLE.

This Ordinance shall be cited as "Santa Fe County Economic Development Ordinance" and shall be referred to herein as "the Ordinance" or "this Ordinance".

SECTION 2. PURPOSE.

To provide the current Economic Plan for Santa Fe County, and to establish the requirements for economic development projects in Santa Fe County pursuant to the Local Economic Development Act, NMSA 1978, Chapter 5, Article 10 (2021) (hereinafter referred to as "the Act").

SECTION 3. AUTHORITY.

This Ordinance is enacted pursuant to the authority granted by Article IX, Section 14 (D) of the New Mexico Constitution (2022) and the Local Economic Development Act, NMSA 1978, Chapter 5, Article 10 (2021).

SECTION 4. DEFINITIONS.

A. "Broadband Telecommunications Network Facilities" means the electronics, equipment, transmission facilities, fiber-optic cables and any other item directly related to a system capable of transmission of internet protocol or other formatted data at current Federal Communications

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Commission baseline speed standard, all of which will be owned and used by a provider of internet access services;

B. "Cultural Facility" means a facility that is owned by the state, a county, a municipality or a qualifying entity that serves the public through preserving, educating and promoting the arts and culture of a particular locale, including theaters, museums, libraries, galleries, cultural compounds, educational organizations, performing arts venues and organizations, fine arts organizations, studios and media laboratories and live-work housing facilities;

C. "Economic Development Project" or "project" means the project of a qualifying entity for which public support may be provided pursuant to the Local Economic Development Act;

D. "Municipality" means an incorporated city, town or village;

E. "Person" means an individual, corporation, association, partnership or other legal entity;

F. "Project Participation Agreement" means an agreement between a qualifying entity and the county whereby the county provides assistance in the form of an economic development project in exchange for benefits received as set forth in this Ordinance.

G. "Public Support" means the provision of assistance by the state to a local or regional government or the provision of direct or indirect assistance to a qualifying entity by a local or regional government for an economic development project. "Public support":

(1) includes the provision of:

(a) land, buildings or other infrastructure, by purchase, lease, grant, construction, reconstruction, improvement or other acquisition or conveyance;

(b) the placement of new broadband telecommunications network facilities; provided that the facilities shall not serve a public facility or location that already meets federal communications commission baseline speed standards;

(c) rights-of-way infrastructure, including trenching and conduit, for the placement of new broadband telecommunications network facilities;

(d) public works improvements essential to the location or expansion of a qualifying entity;

(e) payments for professional services contracts necessary for local or regional governments to implement a plan or provide public support for a project;

(f) direct loans or grants for land, buildings or infrastructure;

(g) technical assistance to cultural facilities;

(h) loan guarantees securing the cost of land, buildings or infrastructure in an amount not to exceed the revenue that may be derived from an increment of the: 1) municipal gross receipts tax imposed at a rate not to exceed one-fourth percent and dedicated by the ordinance imposing the increment for projects; or 2) county gross receipts tax imposed at a rate not to exceed one-eighth percent and dedicated by the ordinance imposing the increment for projects;

(i) grants for public works infrastructure improvements essential to the location or expansion of a qualifying entity and grants or subsidies to cultural facilities;

(j) land for a publicly held industrial park or a publicly owned cultural facility, by purchase; and

(k) the construction of a building for use by a qualifying entity; but

(2) does not include the purchase, lease, grant or other acquisition or conveyance of water rights;

H. "Qualifying Entity" means a corporation, limited liability company, partnership, joint venture, syndicate, association or other person that is one or a combination of two or more of the following:

(1) an industry for the manufacturing, processing or assembling of agricultural or manufactured products;

(2) a commercial enterprise for storing, warehousing, distributing or selling products of agriculture, mining or industry, but, other than as provided in Paragraph (5), (6) or (9) of this subsection, not including any enterprise for sale of goods or commodities at retail or for distribution to the public of electricity, gas, water or telephone or other services commonly classified as public utilities;

(3) a business, including a restaurant or lodging establishment, in which all or part of the activities of the business involves the supplying of services to the general public or to governmental agencies or to a specific industry or customer, but, other than as provided in Paragraph (5) or (9) of this subsection, not including businesses primarily engaged in the sale of goods or commodities at retail;

(4) an Indian nation, tribe or pueblo or a federally chartered tribal corporation;

(5) a telecommunications sales enterprise that makes the majority of its sales to persons outside New Mexico;

(6) a facility for the direct sales by growers of agricultural products, commonly known as farmers' markets;

(7) a business that is the developer of a metropolitan redevelopment project;

(8) a cultural facility; and

(9) a retail business;

I. "Regional Government" means any combination of municipalities and counties that enter into a joint powers agreement to provide public support for economic development projects pursuant to a plan adopted by all parties to the joint powers agreement; and

J. "Retail Business" means a business that is primarily engaged in the sale of goods or commodities at retail and that is located:

(1) in a municipality with a population, according to the most recent federal decennial census, of:

(a) fifteen thousand or less; or

(b) more than fifteen thousand if the economic development project is not funded or financed with state government revenues; or

(2) in an unincorporated area of a county.

SECTION 5. ECONOMIC DEVELOPMENT PLAN

The Santa Fe County Economic Development Plan, adopted by this Ordinance and developed in 2024, is attached hereto as Exhibit A, shall be collectively referred to as "the Plan."

SECTION 6. ASSISTANCE FOR QUALIFYING ECONOMIC PROJECT

A. Santa Fe County may, but is not obligated to, provide direct or indirect economic assistance to a Qualifying Entity pursuant to the Act; such economic assistance may include the purchase, lease, grant, construction, reconstruction, improvement or other acquisition or conveyance of land, buildings or other infrastructure; public works improvements essential to the location or expansion of a qualifying business; or payments for professional services contracts necessary for the County to implement any plan or project.

B. The total amount of public money expended and the value of credit pledged in the fiscal year in which that money is expended or credit pledged by the County for economic development projects shall not exceed ten percent of the annual general fund expenditures of the County in that fiscal year. The foregoing restrictions shall not apply to those items which are not subject to the limitations on public expenditures or pledges of credit under the provisions of the Act.

C. This Ordinance shall not be construed to create any right, entitlement or expectation in any Person to receive assistance or funds from the County for an Economic Development Project.

D. Priority for direct or indirect economic assistance will be given to Economic Development Projects that encourage private companies to expand, build or relocate facilities which support new or expanding businesses; business start-ups; projects that create new jobs; projects that encourage economic clusters as identified in the Plan; or increase the knowledge base of the labor force.

SECTION 7. APPLICATION REQUIREMENTS

A. Each Qualifying Entity desiring to receive economic assistance pursuant to the Act and this Ordinance shall prepare and file an application on a form provided by the County and containing all of the information specified in the application and Plan. Applications shall be submitted to the County Economic Development Manager. A pre-application review may be conducted by the Economic Development Manager to establish basic project qualification criteria prior to a formal application submission. Submitted applications will be forwarded to the County Manager

B. Evaluation of an application for economic assistance pursuant to this Ordinance and the Act shall be based on the provisions of the Plan, the financial and management stability of the Qualifying Entity, the demonstrated commitment of the qualifying entity to the community, a cost-benefit analysis of the project and any other information the County believes is necessary for a full review of the Economic Development Project application. Additional information may be requested by the County as is reasonable. A procedural process and any additional requirements may be included in the application.

C. Each economic development project shall be approved by Ordinance.

SECTION 8. APPLICATION REVIEW PROCESS

A. The County Manager shall appoint a team to review each application, verify the information furnished by the applicant and evaluate the feasibility of the project, the financial and management capabilities and stability of the applicant and the demonstrated commitment of the applicant to the community. The team will also determine whether the project is permitted, and the applicant qualifies for economic assistance under this Ordinance, and whether the project shall provide a public benefit to the residents of the County by contributing to the achievement by the County of self-sufficiency through economic diversification and increased job and income opportunities and other identified public benefits.

B. Each application shall contain a cost-benefit analysis in a format acceptable to the County review team. The proposed project shall be consistent with the provisions of this Ordinance and the objectives and priorities of the County's Economic Development Plan.

C. Upon completion of the review process, the County review team shall make a recommendation via the County Manager to the Board of County Commissioners whether the proposed project should be approved. Each Economic Development Project shall be approved by Ordinance.

D. An application by a Qualifying Entity requesting economic assistance and industrial revenue bonds from the County shall require the same review. This review shall focus on economic, environmental and community impacts of the proposed project. Applicant may be required to provide third party produced economic, environmental and community impact reports with criteria established by the County. The County may request additional information.

SECTION 9: OBJECTIVES AND PRIORITIES

A. *Objectives.* The economic development objective of the County is to establish a community and economic climate attractive to private businesses and to thereby achieve self-sufficiency through:

- (1) Economic diversification;
- (2) Expansion of the tax base;
- (3) Increased job and income opportunities;
- (4) Retention and expansion of existing businesses and industries;
- (5) Recruitment of businesses that utilize the County's science and technology assets;
- (6) Strong entrepreneurship and business start-up activities;
- (7) Strengthening the business sector and redevelopment of nonresidential areas;
- (8) To further the Santa Fe County Economic Plan approved and adopted with this Ordinance; and
- (9) Other public benefit industries compliant with the Local Economic Development Act, NMSA 1978, Chapter 5, Article 10 (2021), and approved and directed by the Board of County Commissioners.

B. *Priorities.* Those Qualifying Entities which fall within any one or more of the following categories shall receive priority:

- (1) Private businesses seeking to build, expand or relocate facilities, with additional consideration given to businesses that are in the targeted and cluster industries identified in the economic development plan;
- (2) Private businesses that provide facilities or services which enhance the ability of county businesses to operate and expand;

(3) Research and development and high technology firms that enhance the technology base of the county;

(4) Private businesses which enhance their exporting capacity or reduce the net level of imports in the local economy; and

(5) Organizations which assist business start-ups or bring small businesses together to increase their competitive abilities by undertaking tangible projects that shall promote an industry, increase the value of jobs or positively impact county tax revenues. Examples include, but are not limited to:

a. Business incubators;

b. Research and development facilities;

c. Public markets for farmers, gardeners or crafts Persons; and

d. Organizations which foster economic development by promoting work force development efforts such as apprenticeships or other job training programs.

SECTION 10. PROJECT PARTICIPATION AGREEMENT

A. Upon approval of the project by the Board of County Commissioners, the County and the Qualifying Entity shall enter into a Project Participation Agreement. The agreement shall identify and include, but not be limited to, the following provisions:

(1) Economic development goals of the project;

(2) Substantive contribution from the qualifying entity for the project, such as in-kind services, jobs, expanded tax base, property or other thing or service of value for the expansion of the economy;

(3) Contributions provided by the County for the project in exchange for a substantive contribution from the Qualifying Entity;

(4) Provisions for performance audits and the specific measurable objectives upon which performance audits shall be based;

(5) A schedule for project development and completion, including measurable goals and time limits for those goals;

(6) The security provided for County's investment by the qualifying entity in the form of a lien, mortgage or other indenture and the pledge of the Qualifying Entity's financial or material participation and cooperation to guarantee the Qualifying Entity's performance pursuant to the Project Participation Agreement;

(7) Procedures by which the project can be terminated;

(8) A description of the safeguards of public resources that shall be required, including specific ways the County can recover costs, land, buildings or other things of value if a qualifying entity ceases operation, relocates or otherwise defaults or reneges on its contractual or implied obligations to the County;

(9) The time period for which the County shall retain an interest in the Economic Development Project; and

(10) A sunset clause, after which the County shall relinquish interest in and oversight of the project.

B. Each Project Participation Agreement and any subsequent amendments shall be approved by the Board of County Commissioners.

SECTION 11. PUBLIC SAFEGUARDS

A. All Qualifying Entities receiving assistance from the County may be subject to a periodic performance audit conducted by the County Manager, or designee, to evaluate whether the Qualifying Entity is attaining the goals and objectives set forth in the project participation agreement.

B. If a Qualifying Entity moves, sells, leases or transfers a majority interest in the Economic Development Project before expiration of the project participation agreement, the County shall retain the right to deny any and all assignments, sales, leases or transfers of any interest in the Economic Development Project until adequate assurances are made that the transferee, assignee or lessee is a qualifying entity and that terms of the agreement shall be satisfied by the transferee, assignee or lessee.

C. The County shall retain a security interest that shall be specified in the Project Participation Agreement.

D. The County may call any promissory note executed by a Qualifying Entity in accordance with the Project Participation Agreement such that the principal and interest become due and immediately payable.

SECTION 12. PROJECT MONIES

All project monies shall be kept in clearly identified separate accounts (by the County), subject to an annual independent audit. The audit is a public record.

SECTION 13. TERMINATION

The Board of County Commissioners may terminate projects undertaken under the authority of this Ordinance, pursuant to the Act. If this Ordinance or a Project Participation Agreement is

terminated, all contract provisions of the Project Participation Agreement regarding termination shall be satisfied. Upon termination of any project, any county funds remaining in county project accounts shall be transferred to the general fund or other appropriate county fund.

SECTION 14. JOINT OR REGIONAL PROJECTS

The County may engage in Economic Development Projects involving one or more other governmental entities for projects that encompass more than one municipality or county. Criteria established under a joint powers agreement shall be consistent with provisions of this Ordinance.

SECTION 15. ADMINISTRATIVE REGULATIONS

A. The County Manager, or designee, is authorized and directed to promulgate any and all regulations, guidelines, policies and procedures necessary and sufficient to carry out the provisions and intent of this Ordinance, and such shall become effective immediately upon their promulgation.

B. All regulations, guidelines, policies and procedures promulgated pursuant to this Ordinance shall be applied prospectively only, unless there appears a statement in the regulations, guidelines, policies and procedures that they shall have a retroactive effect and a statement of the extent of any retroactive effect, consistent with the preservation of the right of contract for parties to existing Project Participation Agreements.

SECTION 16. LIMITED REPEAL OF ORDINANCE NO. 2014-07.

Ordinance No. 2014-07 and the 2014 Economic Development Plan shall be and hereby are repealed; provided, however, that, pursuant to NMSA 1978, Section 5-10-12(A) (2021), a project approved pursuant to Ordinance No. 2014-07 or the 2014 Economic Development Plan and Ordinance No. 1996-07 and corresponding Economic Development Plan, shall not be dissolved or terminated and the rights and responsibilities of the parties to an existing contract entered into pursuant to Ordinance No. 2014-07 or Ordinance 1996-07 shall not be affected by this Ordinance.

SECTION 17. SEVERABILITY.

If a provision of this Ordinance or its application to any person or circumstance is held by a court of competent jurisdiction to be invalid, the invalidity does not affect other provisions or applications of the Ordinance that can be given effect without the invalid provision or application, and to this end, the provisions of the Ordinance are severable.

SECTION 18. EFFECTIVE DATE.

The effective date of this Ordinance shall be thirty (30) days after this Ordinance is recorded with the County Clerk.

PASSED, APPROVED AND ADOPTED ON THIS 9th **DAY OF** December, 2024.

**SANTA FE COUNTY
THE BOARD OF COUNTY COMMISSIONERS**

By: Hank Hughes
Hank Hughes, Chair

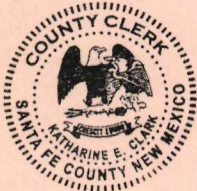
ATTEST:

Katharine E. Clark
Katharine E. Clark
Santa Fe County Clerk



Approved as to Form:

Michael Nunez for
Jeff Young
Santa Fe County Attorney



COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

BCC ORDINANCE
PAGES: 81

I Hereby Certify That This Instrument Was Filed for
Record On The 10TH Day Of December, 2024 at 02:26:19 PM
And Was Duly Recorded as Instrument # 2048558
Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Katharine E. Clark
Deputy [Signature] County Clerk, Santa Fe, NM

SFC CLERK RECORDED 12/10/2024

Final Report

Santa Fe County Economic Development Plan

The Economics of Land Use



Prepared for:

Santa Fe County, New Mexico

Prepared by:

Economic & Planning Systems, Inc.
May 5, 2024

Revised by:

Santa Fe County Economic Development Division

September 23, 2024

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1. Introduction

The Santa Fe County Economic Development Plan (SFC-EDP) includes a vision, goals, and strategies for a healthy and vibrant economy for the County's employers, workers, and residents. The Plan implements the County's Strategic Plan population goals that are the basis of the Economic Development Division work plan. The Plan was also created to guide the implementation of the economic development elements of the 2015 Santa Fe County *Sustainable Growth Management Plan* (SGMP) that encourages economic activities to support a healthy and sustainable economy, to protect the County's resources, support workforce development, address key infrastructure deficiencies, and support key target industries.

Santa Fe County completed the last Economic Development Plan in 2014. Since then, the County has made substantial progress on a number of the plan's goals. However, a new plan is warranted to update economic conditions, confirm and/or refine target industries, and develop a more specific implementation and financing strategy. Once the updated plan is adopted, the County will be able to access additional funding opportunities through state Local Economic Development Act (LEDA) allowable activities as well as other state and federal funding allocations to expanded industries.

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A. Strategic Plan Population Goals

The County's Strategic Plan Population Goals are the basis of the Economic Development Division work plan. The overarching goals of the Strategic Plan are:

- Population Goal 1: Provide a Safe Community
- Population Goal 2: Promote a Sustainable and Equitable Community
- Population Goal 3: Support a Healthy Community
- Population Goal 4: Be a Highly Skilled, Transparent, and Accessible Government

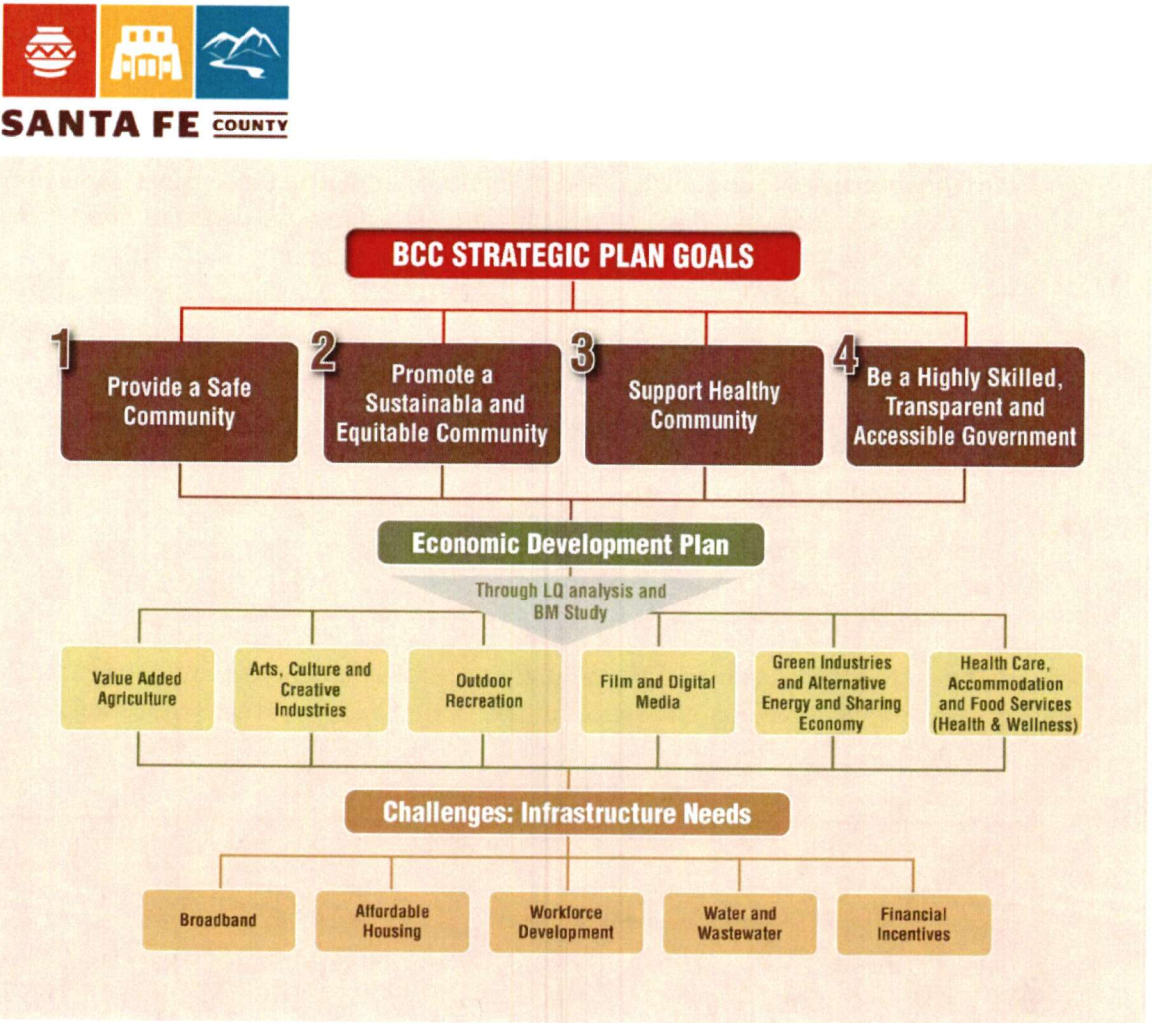
While this plan incorporates aspects of all the strategic goals, the economic development activities and work plan focus on **Population Goal 2: Promote a Sustainable and Equitable Community**, and its subgoal 2.3: Incentivize Sustainable Economic Development including the following strategies:

- Maximize the use of economic development tools, programs, and special districts
- Implement and Enhance County-Targeted Economic Development Industry Clusters
- Incentivize Green Economic Development and Sustainable Job Growth
- Develop a Council and programming to support the Arts
- Support Workforce Training and Education Programs
- Develop a comprehensive broadband plan.

B. Plan Outline

The primary role of the SFC-EDP is to implement the Board of County Commissioner's Strategic Plan including most specifically **Population Goal #2 and related strategies to Promote a Sustainable and Equitable Community**. The strategies and actions of the Economic Development Plan focus on infrastructure investments and programs to facilitate economic growth and diversification including in the target industries identified in the Plan as shown below.

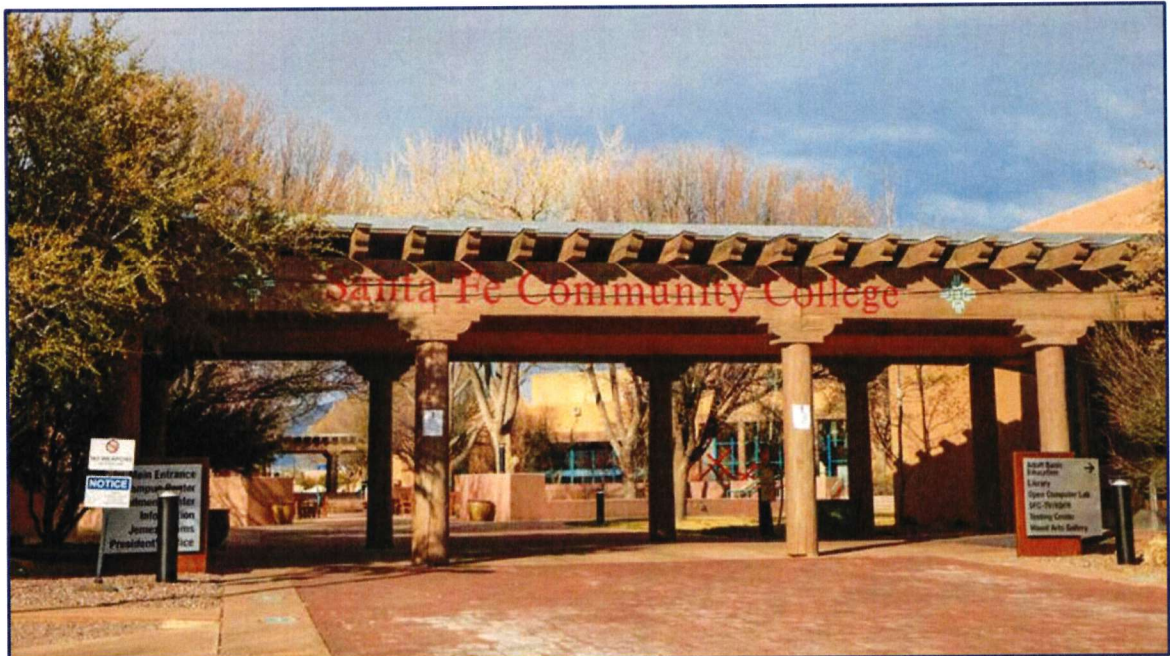
Figure 1: Target Industries and Needs based on Strategic Plan Goals



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The SFC-EDP report is organized in five chapters following this Introduction as outlined below:

- **Economic Profile** – Provides a brief profile of current economic and demographic conditions in the county impacting economic opportunities including population, income, employment, and wages.
- **Infrastructure Needs** – Describes the critical infrastructure issues impacting the County's economic development initiatives including broadband and fiber optic facilities, affordable housing, workforce development, and water and wastewater infrastructure.
- **Target Industries** – Provides a summary of conditions and opportunities for six target industries with potential for growth and expansion including: Value Added Agriculture; Arts, Culture and Creative Industries; Film and Digital Media; Outdoor Recreation; Green Industries and Alternative Energy; and Health and Wellness.
- **Funding and Financing** – A summary of potential funding sources and financing strategies for infrastructure and other community improvements, including business development and attraction.
- **Strategies and Actions** – Recommended strategies and actions to realize the economic development opportunities outlined in the previous sections of the plan.



Santa Fe Community College

C. Key Economic Issues

The key economic development and economic health and sustainability issues identified through stakeholder interviews and research and analysis are summarized below:

- **Economic Growth** – Coming out of the Great Recession, the Santa Fe County economy has experienced limited employment growth, with factors such as a shortage of affordable housing and available workforce. In addition, growth was significantly affected by the COVID-19 pandemic. While economic conditions are slowly improving, particularly among the tourism and hospitality industries, total employment is still not at pre-pandemic levels.
- **Economic Diversification** – The Santa Fe County economy is highly concentrated in four industries including Arts and Entertainment, Hospitality, Public Administration, and Retail Trade, which account for nearly 50 percent of total jobs.
- **Target Industries** – The County has identified target industry clusters that provide the greatest opportunity for diversifying and growing the economy, including: Value Added Agriculture; Arts, Culture and Creative Industries; Film and Digital Media; Outdoor Recreation; Green Industries and Alternative Energy; and Health and Wellness.
- **Infrastructure Needs** – Broadband network infrastructure is foundational for economic growth in the 21st century and workforce development programs are needed for economic diversification. The County also needs to improve the water and wastewater infrastructure in order to support development throughout its primary growth areas. These areas need to be expanded and improved in the county.
- **Regional Cooperation** – To be most effective, economic development activities are best developed and implemented at the regional level, including forming partnerships and enhanced coordination with public/private agencies from the unincorporated communities in the county and other governmental and nongovernmental stakeholders in Northern New Mexico.
- **Sustainability** – A sustainable plan takes into account the economic, environmental, and social needs of the county's residents without compromising the success of future generations.
- **Financial Incentives** – The County can improve policies and procedures regarding the use of infrastructure investments and other incentives to support economic development activities. This will require coordination and collaborative efforts among the affected departments including Land Use, Utilities, and Finance, and will also need the support of the County Manager's Office.

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2. Economic Profile

This section provides a brief overview of economic and demographic conditions in Santa Fe County that impact economic development goals and activities. This section encompasses key aspects such as population and household growth, employment trends, wages and composition, and housing trends and affordability. The information provided is essential for understanding the context in which the current plan's goals and strategies are formulated. By examining these factors, we can better explain how the plan addresses the needs and opportunities within the community, aligns with demographic and economic trends, and ensures that the strategies are effective in promoting sustainable growth and development.

Santa Fe County reached a total population of 157,119 in 2022, as shown in **Table 1**. Since 2010, growth has been slower than past decades, averaging 1,079 residents annually or 0.7 percent. Other Santa Fe County communities (including unincorporated Santa Fe County and Tribal Lands) reached a population of 61,246 and grew at a similar rate adding an average of 336 residents per year as shown. (According to County Land Use data, the population of the unincorporated county was 52,563 in 2020, not including Indian Pueblos).

Table 1. Populations and Households, New Mexico, 2010-2022

Description	2010	2022	2010-2022		
			Total	Ann. #	Ann. %
Population					
Santa Fe City	80,974	89,647	8,673	723	0.9%
Edgewood	5,983	6,226	243	20	0.3%
Other Santa Fe County	57,213	61,246	4,033	336	0.6%
Santa Fe County Total	144,170	157,119	12,949	1,079	0.7%
Households					
Santa Fe City	35,984	40,599	4,615	385	1.0%
Edgewood	2,590	2,684	94	8	0.3%
Other Santa Fe County	23,389	25,919	2,530	211	0.9%
Santa Fe County Total	61,963	69,202	7,239	603	0.9%

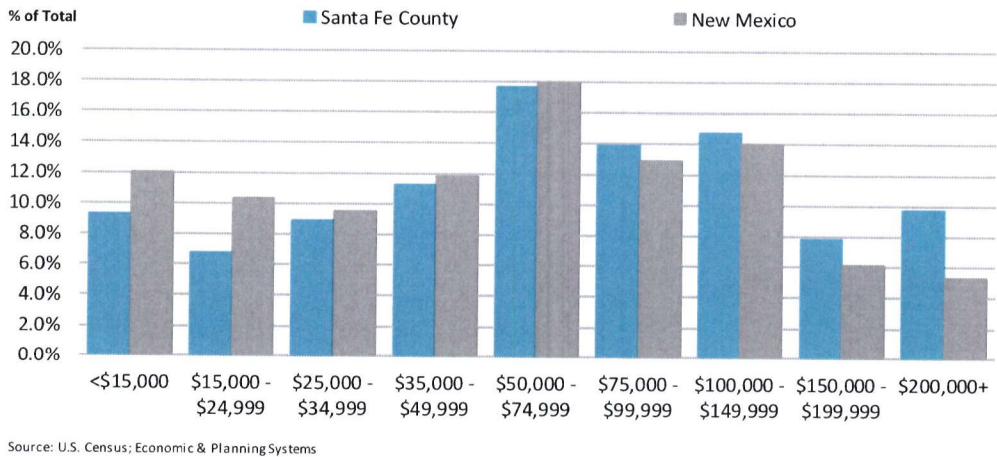
Source: U.S. Census; ESRI; Economic & Planning Systems

In 2022, there were 69,202 households in Santa Fe County and 25,919 households in Other Santa Fe County. The number of households has steadily increased each year since 2010, growing at 0.9 percent annually, although annual growth was slower in this period than the previous decade from 2000 to 2010.

A. Income

The median household income for Santa Fe County in 2022 was \$67,788 compared to \$63,522 in the City of Santa Fe and \$56,735 statewide. Santa Fe County has a greater concentration of high-income households than New Mexico as a whole, with a total of 64 percent of households in Santa Fe County earning more than \$50,000 and compared to 56 percent of households statewide, as shown in **Figure 2**.

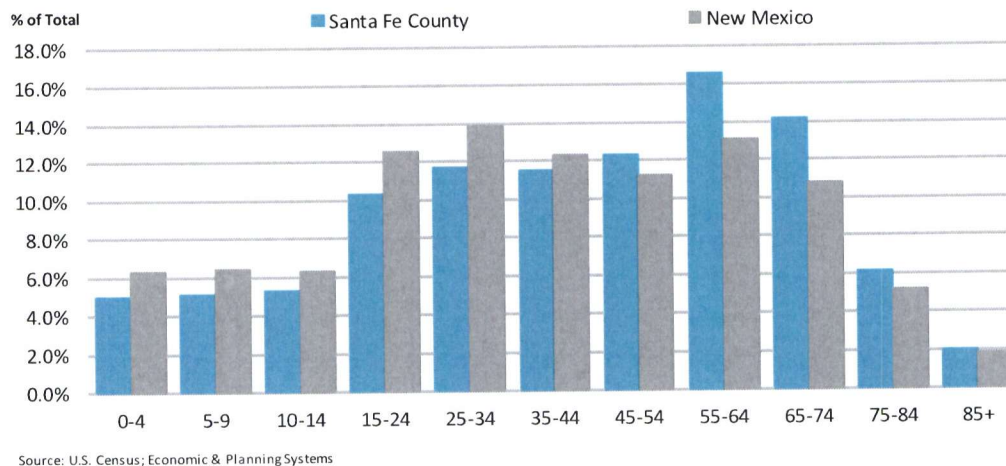
Figure 2. Households by Income, Santa Fe, 2022



B. Population by Age

The population of Santa Fe County is trending older. The population 65 and older has grown from 15.2 percent in 2010 to 22.3 percent in 2022. Over the same period, the share of residents in the prime working age cohorts aged 35 to 54 fell from 28.1 percent of the population to 23.8 percent, while the share of younger age groups remained relatively stable. The median age in Santa Fe County is 46, which is significantly higher than 38.5 in the state. Additionally, Santa Fe County has a higher proportion of residents over the age of 55 than New Mexico as a whole, while the state has a higher proportion of residents between the ages of 15 and 34, as shown in **Figure 3**.

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Figure 3. Population by Age, 2022


C. Employment

In 2023, Santa Fe County had 60,090 wage and salary jobs, down slightly from 60,538 jobs in 2010, as shown in **Table 2**. In 2020, employment in Santa Fe County contracted by 10 percent, due to the impacts of the COVID-19 pandemic. While employment increased since 2020, it has not yet returned to its pre-pandemic level, with total employment 2,505 less in 2023 than it was in 2019.

Table 2. Employment by Sector, Santa Fe County, 2010-2023

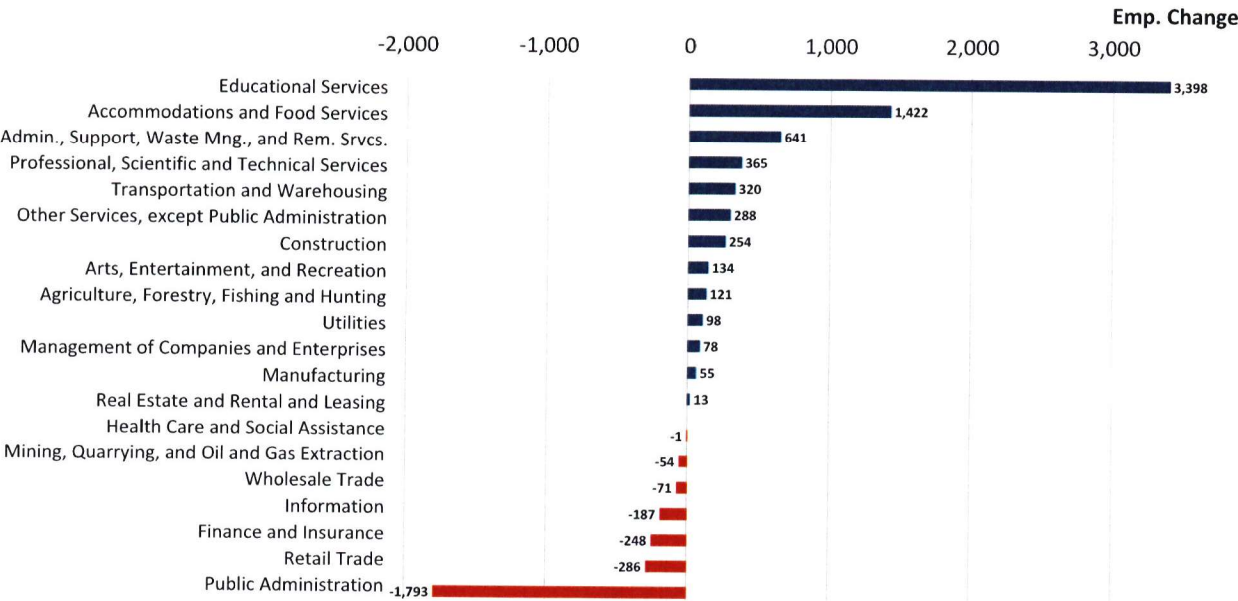
Description	2010	2019	2022	2023	2010-2023		2023 % of Total
					Total	Ann. %	
Wage and Salary Employment							
Agriculture, Forestry, Fishing and Hunting	113	342	299	234	121	5.8%	0.4%
Mining, Quarrying, and Oil and Gas Extraction	101	76	49	47	-54	-5.7%	0.1%
Utilities	132*	247	233	230	98	4.4%	0.4%
Construction	2,961*	3,164	3,171	3,215	254	0.6%	5.4%
Manufacturing	769	891	788	824	55	0.5%	1.4%
Wholesale Trade	1,005	1,011	873	934	-71	-0.6%	1.6%
Retail Trade	8,493	8,320	8,092	8,207	-286	-0.3%	13.7%
Transportation and Warehousing	754	1,006	1,158	1,074	320	2.8%	1.8%
Information	1,088	1,029	951	901	-187	-1.4%	1.5%
Finance and Insurance	1,694	1,489	1,478	1,446	-248	-1.2%	2.4%
Real Estate and Rental and Leasing	804	920	762	817	13	0.1%	1.4%
Professional, Scientific and Technical Services	2,568*	2,861	2,897	2,933	365	1.0%	4.9%
Management of Companies and Enterprises	223*	258	304	300	78	2.3%	0.5%
Admin., Support, Waste Mng., and Rem. Svcs.	1,747*	2,473	2,413	2,388	641	2.4%	4.0%
Educational Services	1,196	4,403	4,349	4,594	3,398	10.9%	7.6%
Health Care and Social Assistance	8,315	9,359	8,394	8,314	-1	0.0%	13.8%
Arts, Entertainment, and Recreation	2,119	2,525	2,077	2,253	134	0.5%	3.7%
Accommodations and Food Services	8,211	10,632	8,894	9,633	1,422	1.2%	16.0%
Other Services, except Public Administration	2,441	2,724	2,626	2,729	288	0.9%	4.5%
Public Administration	10,809	8,865	9,012	9,016	-1,793	-1.4%	15.0%
Total Employment	60,538	62,595	58,819	60,090	-448	-0.1%	100.0%

Source: Bureau of Labor Statistics; Economic & Planning Systems

Of the wage and salary jobs in Santa Fe County, the largest sectors are Accommodations and Food Services (16.0 percent of jobs), Public Administration (15.0 percent of jobs), and Health Care and Social Assistance (13.8 percent of jobs). As the state capital, Santa Fe County's 9,016 Public Administration jobs are more than double the state's.

As shown in **Figure 4**, from 2010 to 2023, the most significant growth sectors in Santa Fe County were Educational Services growing by 3,398 jobs, Accommodations and Food Services growing by 1,422 jobs, and Administrative Services growing by 641 jobs. The largest job contractions were in Public Administration with a loss of 1,793 jobs, Retail Trade with a loss of 286 jobs, and Finance and Insurance with a loss of 248 jobs.

Figure 4. Industries Employment Change, Santa Fe County, 2023 vs. 2010



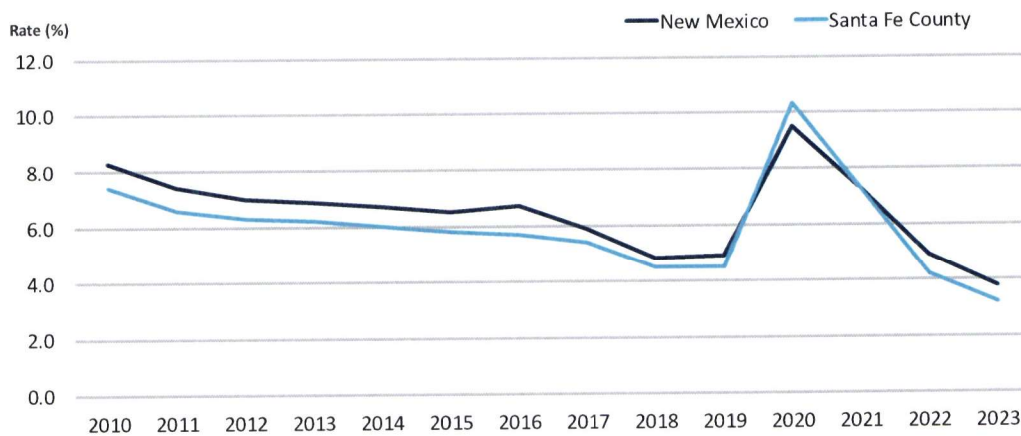
Source: Bureau of Labor Statistics, Economic & Planning Systems

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D. Unemployment

In December 2023, unemployment stood at 3.2 percent in Santa Fe County and 3.8 percent in New Mexico, as shown in **Figure 5**. From 2010 to 2019, the unemployment rate in each gradually declined. In 2020, with the onset of the COVID-19 pandemic, the unemployment rate reached a high of 10.8 percent in Santa Fe County and a high of 9.8 percent in New Mexico, although the rate fell significantly in 2021 and 2022. The rates have since stabilized in 2023 at 3.2 percent in the county and 3.8 percent in the state.

Figure 5. Unemployment Rates, 2010-2023



Source: BLS; Economic & Planning Systems

E. Wages

The highest average annual wages by industry of five top sectors are in Finance and Insurance (\$132,737), Mining (\$105,151), Management of Companies and Enterprises(\$98,744), Information (\$96,271) , and Utilities (\$93,929) as shown in **Table 3**. By contrast, the tourism-dominated Accommodations and Food Services and Agriculture sectors pay the lowest average wages at \$33,267 and \$39,653 per year respectively as shown.

Table 3. Detailed Wages and Employment, Santa Fe County, 2023

Source	Number of Employment	Annual Wage per Employee
Agriculture, Forestry, Fishing, and Hunting	244	\$39,653
Mining, Quarrying, and Oil and Gas extraction	43	\$105,151
Utilities	117	\$93,929
Construction	2999	\$52,096
Manufacturing	824	\$46,817
Wholesale Trade	936	\$70,321
Retail Trade	8266	\$40,123
Transportation & Warehousing	710	\$47,822
Information	794	\$96,271
Finance & Insurance	1435	\$132,737
Real Estate	817	\$59,429
Professional, Scientific, and Technical Services	2907	\$88,805
Management of Companies and Enterprises	304	\$98,744
Administrative, Support, Waste Management, & Remediation Services	2244	\$41,908
Educational Services	1839	\$51,352
Health Care and Social Assistance	8009	\$69,085
Arts, Entertainment	1654	\$56,889
Accommodation & Food Services	9682	\$33,267
Other Services (except public administration)	2721	\$52,718
Public Admin Local	1,654	\$57,930
Public Admin State	6,657	\$76,123
Public Admin Federal	581	\$89,482

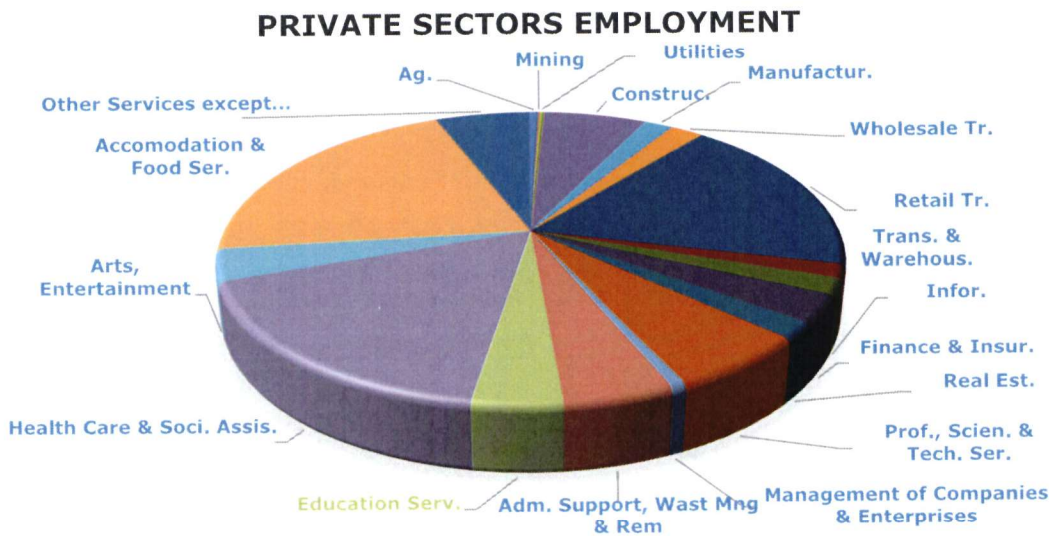
Source: US. Bureau of Labor Statistics.

https://data.bls.gov/cew/apps/table_maker/v4/table_maker.htm#type=6&year=2023&qtr=A&own=5&area=35049&supp=1

To make these numbers better comparable **Figure 6** illustrates the sectors employment participations in a pie chart. But **Figure 7** illustrates annual wages per employee. Comparing these charts side by side helps us to have a better understanding about the county's employees and their annual wage.

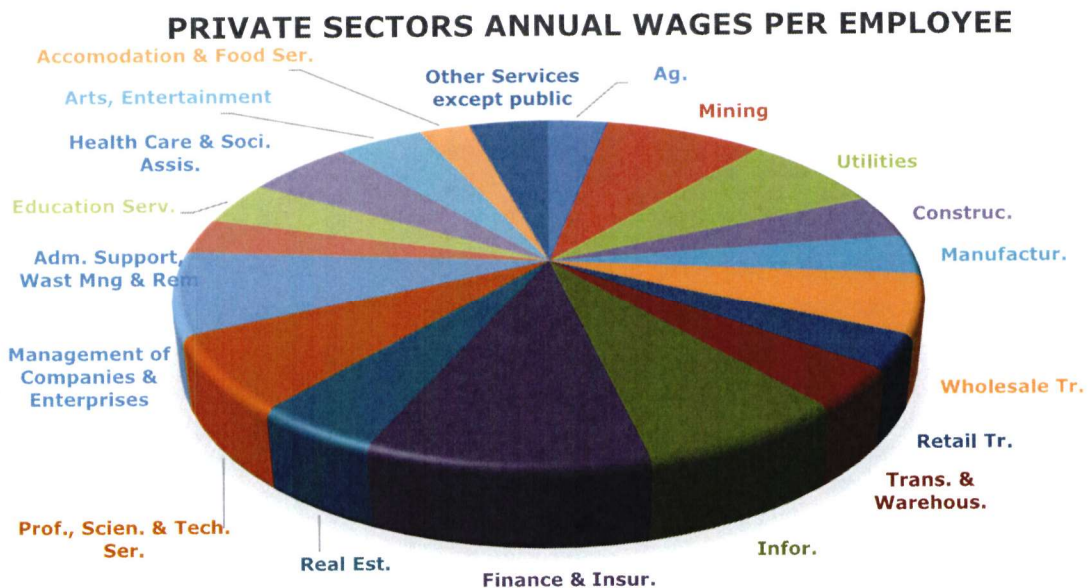
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Figure 6: Private Industries Employment



Source: Table 3 and authors calculations

Figure 7: Private Sectors Annual Wages Per Employee



Source: Table 3 and authors calculations

Comparing these two charts show sectors with the highest number of employees, namely in Accommodation and Food Services, Health care and Social Assistance, and Retail Trades have the lowest wage.

F. Location Quotient and Base Study

This section presents an economic base study for Santa Fe County, NM. An economic base study analyzes various local economic activities to assist policymakers and business owners in making informed economic development decisions. Location quotients (LQ) are used to illustrate the relative importance of different industries within a region.

An economic base study distinguishes between basic and non-basic activities. Basic industries drive local economic growth by exporting goods and services outside the local area, while non-basic industries support the local economy by primarily serving local needs. Basic industries are crucial for bringing external revenue into the community, whereas non-basic industries depend on local consumption.

To identify whether a local industry is basic or non-basic, location quotients are employed. The formula for LQ is as follows:

$$LQ_i = \frac{\frac{e_i}{e}}{\frac{E_i}{E}}$$

where, LQ_i = location quotient for the sector in the regional economy

e_i = employment in sector “i” in the regional economy

e = total employment in the local region

E_i = employment in industry “i” in the national economy

E = total employment in the national economy

An LQ of 1 indicates that the local area has the same percentage of employment in a particular industry as the national average. For this study, Santa Fe County's employment levels are compared to the national levels. When the LQ is greater than 1, the industry is considered basic, meaning it exports goods or services beyond the local area. Conversely, an LQ below 1 suggests that the industry is non-basic and primarily serves local needs, with fewer employees in that sector than the national average. While this study compares Santa Fe County with the national economy, the comparison can also be made at the state level or with previous data. Table 4 presents the LQ results for 10 sectors in Santa Fe County, comparing their employment to the national level from 2020 to 2023.

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Table 4: The employment Location Quotients in Santa Fe County 2020-2023

Private Sectors	LQ (Based on Nation)			
	2020	2021	2022	2023
Agriculture, forestry, fishing and hunting	0.82	0.72	0.72	0.55
Mining, quarrying, and oil and gas extraction	0.28	0.25	0.25	0.21
Utilities	0.62	0.62	0.59	0.57
Construction	1.15	1.13	1.09	1.06
Manufacturing	0.19	0.18	0.18	0.18
Wholesale trade	0.48	0.45	0.41	0.43
Retail trade	1.48	1.47	1.46	1.50
Transportation and warehousing	0.35	0.37	0.34	0.31
Information	0.78	0.83	0.86	0.75
Finance and insurance	0.69	0.68	0.66	0.64
Real estate and rental and leasing	1.03	0.99	0.95	0.96
Professional, scientific, and technical services	0.83	0.79	0.76	0.76
Management of companies and enterprises	0.32	0.32	0.35	0.34
Administrative and support and waste management and remediation services	0.67	0.68	0.71	0.68
Educational services	1.40	1.40	1.43	1.66
Health care and social assistance	1.16	1.16	1.12	1.06
Arts, entertainment, and recreation	1.94	1.96	1.81	1.87
Accommodation and food services	1.80	1.78	1.91	1.95
Other services (except public administration)	1.73	1.71	1.73	1.68

Source: US. Bureau of Statistics and Authors calculation

As shown in **Table 4**, the sectors of Retail Trade; Educational Services; Arts, Entertainment, and Recreation; Accommodation and Food Services; and Other Services (excluding public administration) have Location Quotients (LQ) significantly above 1, designating them as base sectors in Santa Fe County. Additionally, the Health Care and Social Assistance sectors have LQs between 1

and 1.25, indicating that their classification as base sectors is influenced by the community's demographic conditions and preferences.

The Base Multiplier (BM) study for the five base industries in Santa Fe County reveals that job creation in these sectors leads to additional job creation in other sectors within the county. In 2020, the BM was 2.11, meaning that for every one-hour job created in these base sectors, an additional 1.11-hour job was generated in non-base sectors. As a result, these industries are a main part of our target list.

While the LQ for the Health Care sector is relatively modest at 1.16, the county's demographic profile supports its inclusion as a target industry. The combination of two economic sectors-Health Care and Social Services, along with Accommodation and Food Services-creates a unique group called Health and Wellness, which is our target sector due to demographic needs and statistical advantage identified in the LQ study.

In summary, this section focuses on the identification of target industries. Based on food security consideration, Location Quotient (LQ) analysis, Base Multiplier (BM) study, and the demographic condition of Santa Fe County, the following sectors have been identified as target industries: *Agriculture* (specified in *Value-Added Agriculture*), *Art, Entertainment, and Recreation* (including *Arts, Culture and Creative Industries, Outdoor Recreation, Film and Digital Media*) and *Health Care, Accommodation and Food Services* (grouped as *Health and Wellness*). Additionally, *Green Industries, Alternative Energy*, and the *Sharing Economy* have been identified as key sector for sustainable development.

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3. Target Industries

This section provides a summary of conditions, trends, and opportunities for the recommended target growth industries. The six high priority target industries were identified from the previous economic development plan, analysis of current economic conditions, and input from County officials and other stakeholders.

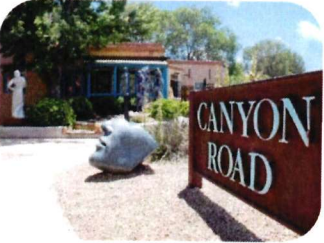
Target Industries refer to specific sectors or industries that have been identified as having the potential to generate growth and diversification through a comprehensive analysis that consider factors like workforce assets, industry trends, and regional strengths. By focusing on these specific sectors, economic development efforts can be more targeted and effective in fostering sustainable economic growth and prosperity.





Value Added Agriculture

Although agricultural employment in the county is relatively small, the land area devoted to crops and livestock is more significant. The target industry opportunities are related to value-added industries using the county's agricultural products and eco-tourism.



Arts, Culture and Creative Industries

Opportunities are to support existing arts organizations and build infrastructure to enhance activities, programs and events.



Outdoor Recreation

Includes all outdoor recreation activities on public lands, have a low impact on the natural environment, encourage education and awareness of the environment, as well as encourage manufacturing and distribution of outdoor related equipment.



Film and Digital Media

Film and digital media include activities related to national and local film studio production and locations. Software and internet content development as well as print, publishing and related services.



Green Industries and Alternative Energy and Sharing Economy

Green industries include those focused on renewable energy, recycling and conservation technology. Continued and expanded investment in these industries is essential to creating a resilient and sustainable economy.



F. Health Care, Accommodation and Food Services (Health & Wellness)

Health and wellness include both emerging alternative wellness treatment facilities and conventional health related industries including harvesting, services, manufacturing and distribution.

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A. Value Added Agriculture

Agriculture is an important sector because of its role in food security. Although agriculture's contribution to Santa Fe County's GDP is relatively small, it remains a crucial sector due to its direct impact on food production and supply. Value added agriculture plays a key role in ensuring food security and has deep historical roots in New Mexico and Santa Fe County, spanning over three centuries. This long-standing agricultural heritage has significantly shaped many of the local communities that thrive today. Today, agriculture continues to play an important role in the culture, history, and economy of rural Santa Fe County. The opportunities in the urban areas of the county are related to value-added industries using the county's agricultural products.

1. Industry Trends

In 2022, the latest agricultural census, there were approximately 591 farms and ranches in the county, representing a loss of 48 farms and/or ranches since 2017. A total of 494,844 acres of land were in farming, which is 41 percent of the 1.22 million total acres in the county. Of all acreage utilized for farming in the county, over 95 percent or more is pastureland while the balance is utilized as cropland. The majority (68 percent) of farms are under 50 acres in size and 49 percent of all farms are less than 10 acres in size. Larger farms and ranches with over 1,000 acres are the minority and represent only 8 percent of all farms in the county.

Value-added Agriculture – Although overall agricultural production is declining, there are a variety of agriculture-based value-added companies within Santa Fe County including the second largest tortilla factory in the state, several salsa and southwestern food producers, and multiple breweries and distilleries. In addition to agricultural value-added production, there are a growing number of farmers markets, farm-to-table restaurants and other local-food related events. However, it has been identified that procurement from local agricultural enterprises is frequently not considered or acted upon. Santa Fe County has a wealth of small and mid-scale agriculture enterprises that can serve to play a larger role in the county's value-added agricultural economy, retail economy, and local culture and tourism through supply chain improvement, marketing efforts, and additional programming.

Hemp Industry – The Federal Hemp Farming Act of 2018 removed hemp (defined as cannabis with less than 0.3 percent THC) from Schedule I controlled substances and made it an ordinary agricultural commodity. This opened up the legal growing of hemp in the State of New Mexico in 2019, in which the state issued just under 450 licenses to grow the plant. The dramatic shift from illegal to legal has resulted in a significant number of new farms and farmers experimenting with the growing of hemp.

Cannabis – The State of New Mexico Cannabis Regulation Act of 2021 legalized the production and recreational usage of cannabis products thereby expanding upon the state's 2007 Medical Cannabis legislation. Sales of recreation marijuana

have started a rapid pace that began in April 2022, and is predicted to see market growth ranging from \$342 million to around \$1 billion by 2026.



Santa Fe Farmers Market

2. Opportunities

The community interest in locally sourced food and the large number of family farms and orchards in Santa Fe County presents a range of opportunities for sector development.

- **Expanding Institutional Procurement** – Santa Fe County is home to a variety of educational, health, and governmental institutions that provide or deliver food services, which require food procurement. Often, food procurement for federally regulated meal programs is purchased through annual contracts with national distributors. Coordinating and assisting local growers access to local institutional markets would expand both market opportunity and consistency for small growers.
- **Existing partnerships** – Santa Fe County works closely with a host of community organizations supporting the local food production value-chain. Continuing and supporting the work of ESHIP Rio Grande, Santa Fe Food Policy Council, Farm to Table, The New Mexico Farmers Market Association, Reunity Resources, the Food Depot and others provide Santa Fe County with opportunities for improving and developing the agricultural sector.
- **Santa Fe Community College** – Santa Fe Community College's School of Trades, Advanced Technologies and Sustainability and Higher Education Center (HEC) offers a variety of workforce and sector development programming including Culinary Arts, Controlled Environmental Agriculture, Fiber Optic Technician and Biofuels.
- **County Land** – Santa Fe County owns significant parcels of land, some of which has arable acreage that is utilized for agricultural projects and programming, or training, which should continue to expand.

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- **Traditional and Rural Communities** – Santa Fe County’s traditional and rural communities with historical connections to the land have opportunities for the implementation and development of food and other agriculture-based businesses and enterprises.
- **Hemp and Cannabis Industry** – The legalization of hemp in 2019 and cannabis in 2021 has resulted in a new sector that Santa Fe County is well positioned to capitalize on. It will be important for the County to identify ways to support reputable hemp and cannabis related businesses through investments in infrastructure and business support.

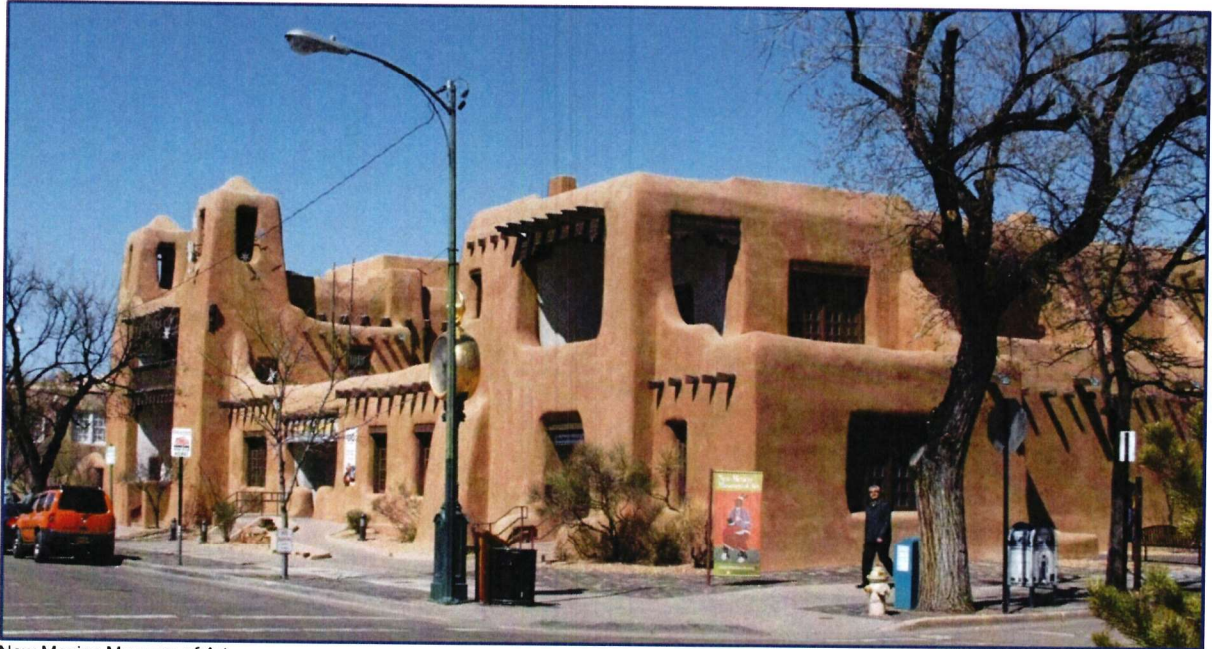


- **Strong Local Food Demand** – Santa Fe County is home to a variety of local restaurants, value-added producers, and farmers’ markets marked by consumer preferences for locally grown food and food products.
- **Agri-tourism** – By combining agriculture and tourism, agri-tourism offers new opportunities to expand the opportunities that are available to visitors in the county. As agri-tourism grows in popularity across the nation, Santa Fe County is well positioned to partner with local farms and producers to attract visitors to local farms. Activities may include self-pick harvesting, dining at the farm, and or tours of historic farms and on-site structures. These types of activities represent an opportunity to not only increase the number of visitor related amenities but to also diversify the income stream of local agricultural related businesses.
- **Agricultural Land Preservation** – It is important to note that while there are many opportunities for expansion of agricultural economic activities, the dwindling water resources suggest that efforts must be made to preserve agricultural land from unsustainable practices or unwarranted development. The Land Use Department’s Transfer of Development Rights (TRD) Program promotes the preservation of agriculture, rural open space, scenic vistas, natural features, and areas of special character or historic, cultural or

aesthetic interest or value. The program should be utilized to preserve agricultural land and environmental resources whenever appropriate.

B. Arts, Culture and Creative Industries

Arts, cultural, and creative activities are vital components of the regional economy in Santa Fe County. As shown in the previous section's Location Quotient and Base Multiplier study, this sector plays a crucial role in job creation within the county. Santa Fe boasts a rich cultural tapestry, blending Hispanic, American, Native American, and, increasingly, other global influences, which contribute to the unique character and economic strength of the region. Native Americans are the source of much of the “Southwestern Art” that has propelled the Santa Fe area to international prominence. This has in turn nurtured an art industry in Santa Fe County, which is home to one of the greatest concentration of professional artists in the country, and an impressive number of art galleries and establishments.



New Mexico Museum of Art

1. Industry Trends

Santa Fe County's arts, cultural and creative activities draw a significant number of visitors into the region every year. As a result, many of the businesses in this sector are primarily funded with revenues that originate outside the county and can therefore be classified as a primary industry that generates net new dollars for the local economy.

There are over 250 art galleries, museums, and performing arts venues dispersed throughout the county. While many may be concentrated in the City of Santa Fe art districts, a large number operate and make significant economic contributions in the small communities and pueblos within the county. The robust presence and impact of this

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portion of the economy has resulted in the creation of several prominent art markets and festivals. Major art markets and festivals include the International Folk Art Market, Spanish Market, and Native American Art Market. One of the newer and most popular artistic attractions is Meow Wolf established in 2008 and is a modern display of interactive art that is a huge tourist attraction and economic driver for the Santa Fe area.



Source: MeowWolf

Santa Fe County and the City of Santa Fe have a wide variety of annual events that attract both residents and visitors. A collection of some of the largest and most popular are summarized below. While the majority of these events are concentrated in the city due to density, events that are held in the county include the Pilgrimage to Chimayo, Annual Crawdaddy Blues Festival in Madrid, County Fair at the Fairgrounds, Eldorado studio tour, La Cienega studio tour, Highway 14 studio tour, Festival days at Los Golondrinas, annual events in Madrid, Pumpkin Festival in Edgewood, Galisteo studio tour, Buckaroo Balland, and others.

Table 5: Annual Events in Santa Fe

ANNUAL EVENTS	
<ul style="list-style-type: none"> • Santa Fe Restaurant Week • ARTsmart-Edible Art Tour • The Santa Fe Opera • Rodeo de Santa Fe • July 4th - Pancakes on the Plaza • International Folk Art Market - Santa Fe • Traditional Spanish Market - Summer • SWAIA Native American Art Market • The Annual Burning of Zozobra • Fiestas de Santa Fe • High Road Studio Art Tour • Santa Fe Wine & Chile Fiesta • Fundraising Events • Santa Fe Chamber Music Festival • Comicon • Gem and Minerals Show • Aspen Ballet • Battle of Glorieta Encampment • Santa Fe Desert Chorale • Currents New Media 	<ul style="list-style-type: none"> • Santa Fe Artists Market at Cathedral Park • Santa Fe Studio Tour • El Rancho de las Golondrinas Festivals and Events • Indigenous Peoples' Day Celebration • Santa Fe Independent Film Festival • Thanksgiving & Christmas Events at The Plaza • Pueblo Feast Days • Christmas at the Palace & Las Posadas • New Year's Eve Celebration on the Plaza! • Pilgrimage to Chimayo • Eldorado Studio Tour • Galisteo Studio Tour • Pojoaque River Art Tour • Madrid Christmas Parade • Annual Crawdaddy Blues Festival • County Fair • Edgewood Kite Festival • Edgewood Chuck Wagon Supper Shows

2. Opportunities

Arts, culture and creative industries are very much a part of the Santa Fe brand and account for a significant portion of the national scale tourism-based economy focused on its architecture and history; Native American Pueblos; artists and galleries; performing arts, and high desert landscape and natural beauty.

Opportunities to support this sector of the economy include:

- **Strong Artist Community** – The county's strong network of artists are a vibrant and valuable part of the local community and economy. There is an opportunity to increase outreach and engagement with these stakeholders to explore ways to leverage the existing cultural assets in the community and support local artists.
- **Strong Educational Support for the Arts** – The county has a variety of educational programs supporting the arts, including New Mexico School for the Arts, Institute of American Indian Arts (IAIA), degree and certificate programs at Santa Fe Community College, and other institutional and nonprofit educational opportunities. There is an opportunity to support and expand existing programming and develop new programming designed to support and train artists and cultural workers.
- **Strong Nonprofit Support for Arts and Culture** – From the Santa Fe Opera to the Santa Fe Playhouse, to El Rancho de las Golondrinas, the county is full of organizations supporting a robust arts and culture environment. The Economic Development Division should assist the Arts, Culture and Creative industry

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organizations by identifying or providing technical assistance in organizational capacity building and locating funding opportunities when available.

- **Festivals and Events** – Santa Fe County is known for its internationally known festivals and events that highlight the culture, arts, and history of the region. Efforts to showcase local artist, cultural products, and enhance the economic impact of these events for local residents can be pursued. The Economic Development Division should expand efforts to support festivals and events through sponsorships, advertising and leveraging regional partnerships.
- **Arts, Culture and Creative Industries and Economic Development** – The establishment of MAKE Santa Fe, an artist co-working/maker space, and the recent housing development of the Siler Yard and Creativity Center (live work artist space) helps to address the critical need for affordable housing, working space, and access to resources for local arts and culture businesses and workforce and can be replicated and supported to increase their overall impact. The Economic Development Division will work to add value by developing a county arts council of artists and industry experts to help identify and recommend programmatic, infrastructure and other resources to expand and support the creative industries to the County Commission. The creation of the New Mexico Economic Development Creative Industries Division will help fund and support these efforts.

C. Outdoor Recreation

Outdoor recreation includes tourist activities that have a lower impact on the natural environment, encourage outdoor education and awareness of the environment and culture of a place, and that improve the welfare of the local people. These types of activities include visiting national, state and county parks and wildlife preserves; guided tours, and outdoor activities such as canoeing, hiking, mountain biking, off-road tours, white water rafting, skiing, and other outdoor adventures. This industry was also identified as a base sector in our study, which highlights its significant role in job creation within the county.

1. Industry Trends

Outdoor recreation is an important draw for both tourists and residents in Santa Fe County. The region's favorable climate, along with a wide variety of natural amenities, attract a large number of tourists and is one of the many appealing aspects of living in the region. The region offers a wide range of activities that include high-altitude running, hiking, fishing, hunting, skiing, snowshoeing, horseback riding, road and mountain biking, rock climbing, ultimate frisbee, golfing, and a variety of others.

Biking has grown in popularity and the county's open space and trail network has become a destination. This is seen with the expansion of Bicycle Technologies International (BTI), the historic Santa Fe Century, the Gran-Fondo of New York-Santa Fe, and hosting of the International Mountain Biking Association (IMBA) World Summit. Santa Fe County has over 600 miles of hiking trails and over 400 miles of mountain biking trails and has been designated as a Silver-Level Ride Center by IMBA. There is also a robust trail system throughout Santa Fe County that represents a significant opportunity for the County to build on to leverage existing assets. Further, the county also has the El Camino Real de Tierra Adentro Trail ("The Royal Road"), an historic international trail, which connects Mexico with the United States and was the route used for trade.

In addition to the trails network, the region's outdoor recreation attractions also provide an opportunity to generate outdoor recreation businesses and entrepreneurial activity. New Mexico EDD recently established an Outdoor Recreation Division to promote and support the industry in the state. New Mexico is the twelfth state to create a government office dedicated to promoting the outdoor recreation economy.

The outdoor recreation industry has many opportunities in addition to guides, outfitters and operators of recreation attractions, the industry also includes outdoor manufacturers, retailers, and service providers. An objective of the outdoor recreation initiative is to capitalize on the county's outdoor recreation resources and build facilities and programs to support guides, outfitters, and gear manufacturers.

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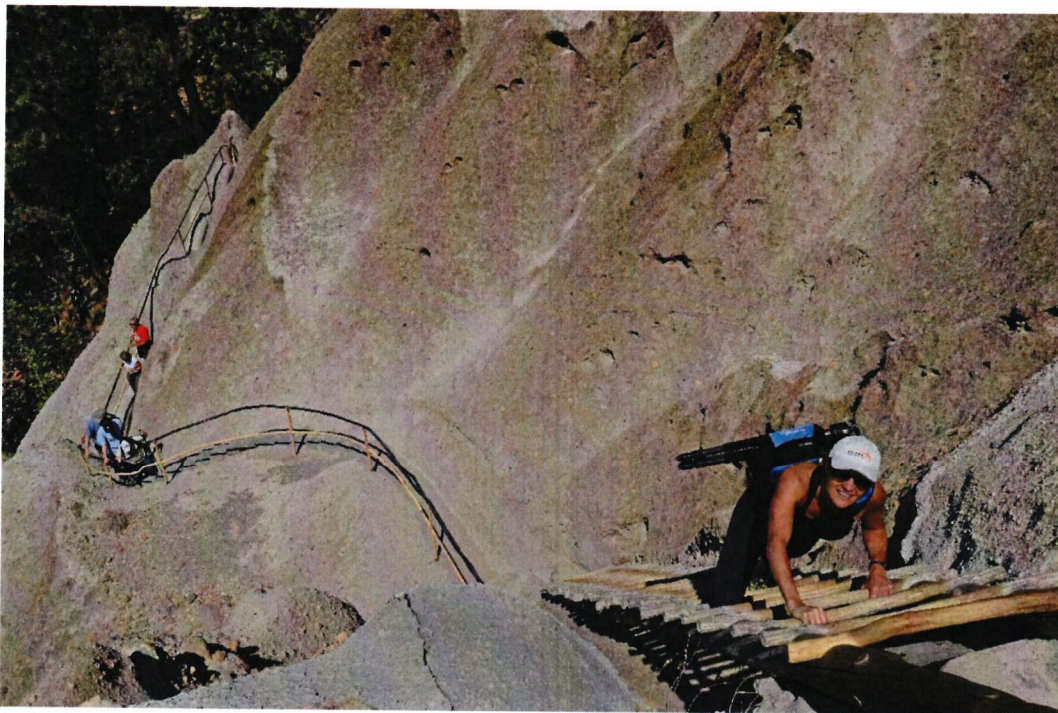


2. Opportunities

Santa Fe County has an ideal balance of landscape diversity and splendid four seasons that are prime to capitalize on all parts of outdoor activities. Outdoor recreation provides opportunities to expand and diversify tourism with a low impact on the natural environment. The County can also take advantage of its culture to offer additional opportunities for the adventurer; the county has the potential to become a more significant destination for outdoor activities. There is an opportunity for the County to continue to improve its appeal to a wide range of outdoor enthusiasts through a variety of strategies to expand the county's many options for outdoor recreation.

- **Outdoor Recreation Division** – The County should continue to seek ways to leverage the resources provided by the new state Outdoor Recreation Division. The County shall specifically seek strategies to partner with the work of this Division.
- **Expand Trails** – The county currently has a strong network of existing mountain biking trails. The County should continue to seek ways to expand and strengthen the existing trail network, develop more trailheads for designating an entry to the trail network and identify additional partnership opportunities with national and international mountain biking organizations that use the trails for various activities as well as competition. The County should align the work plans of the Trails Division with the Economic Development Division to better leverage resources.
- **Facilities and Amenities** – The County should work with other regional agencies to expand outdoor recreation facilities – for example, work with the MPO on expanding bike lanes along county scenic byways; enhance facilities such as the County Fairgrounds and Stanley Cyclone Center; expand facilities that support activities such as, bird watching, and mushroom hunting.

- **Public Lands** – There are many opportunities in the Santa Fe National Forest—a year-round playground offering many activities such as fishing, backpacking, hunting, skiing, snowshoeing and mushroom hunting. There is also an extensive trail network and numerous open space properties that span the entire county and are used for many different activities such as hiking, mountain biking, and cross-country skiing.
- **Parks** – Add and enhance parks and public facilities such as tennis courts, pickle ball courts, multipurpose/recreational fields, disc golf, exercise equipment, dog parks, etc. Encourage equitable distribution of public recreational facilities throughout the county.
- **Outdoor Recreation-Related Companies** – The county has a growing base of outdoor related companies, including Outside Magazine, Bicycle Technologies Incorporated, O’Leary Custom Bikes, Kit Fox Glamping, and Southwest Safaris located in Santa Fe. The County should continue to work to identify additional partnership opportunities with companies that are focused on outdoor recreation in order to continue to build its profile in this space.



Ancient Pueblo Indian Village, Santa Fe, NM

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D. Film and Digital Media

According to the Location Quotient Study, the entertainment sector is another key economic activity that has contributed to job creation in Santa Fe County over the past five years. Film and digital media include county-based production studios and outdoor sets, as well as services related to local filmmakers and related services and more traditional media sectors, such as print and publishing. Culture, aesthetic appeal, open landscapes, and New Mexico tax incentives make Santa Fe County an appealing location for the film industry. Film production in the county has major economic impacts for the local community. In addition to feature films, the industry hosts a large segment of TV and other media programs including travel shows, and food and cooking productions.

1. Film Industry Trends

The film industry has had a significant impact on the county and the state. Industry spending reached \$855.4 million in FY 2022, which was up from \$626.5 million in FY21, an increase of 36 percent. New Mexico hosted 109 total productions in FY22, up from 76 in FY21 and 78 in FY20. Film production outside of California is heavily influenced by the availability of tax incentives. New Mexico tax incentives include a 25 to 35 percent tax credit for film, TV, and commercials, as well as for post-production activities.

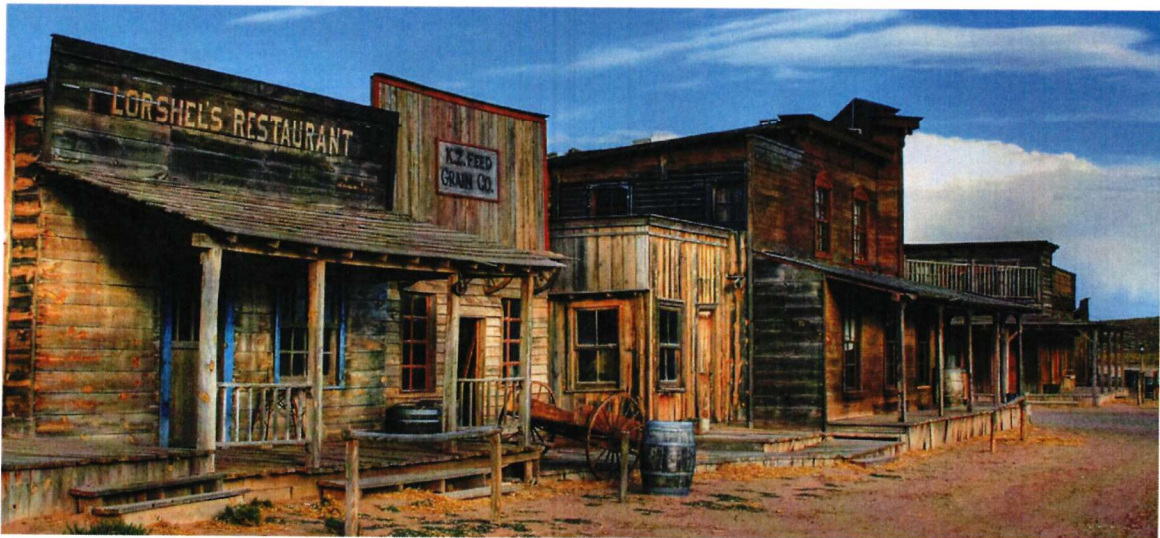
The Santa Fe Film Office was established in 2016 to support the industry and attract film and media production to the county. The Office has a \$300,000 annual budget that is funded equally by the City of Santa Fe and Santa Fe County. Since the Film Office's conception, the film industry has brought approximately \$400 million in direct spend into the greater Santa Fe economy, generating over \$1 billion in overall economic impact or approximately 30 percent of all economic output statewide. Over the past four years, Santa Fe has been named as one of the top three "Best Places to Live and Work as a Filmmaker" by MovieMaker Magazine.

The economic activity created by the film production tax-credit program not only results in additional jobs and spending within the state and its counties, but additional revenues for local and state governments. Film and television production is a major driver of hospitality industries in Santa Fe, accounting for thousands of hotel room nights per year, hundreds of thousands of dollars spent at local restaurants and catering suppliers, and multiple rentals of facilities.

The film industry is a major lessor of commercial properties for production, office space, storage, mill space, and other specialty services. It supports hundreds of local businesses throughout the overall economy—from construction materials to yoga instructors and dog sitters.

Santa Fe has three film studios, and all of the five western sets in the state are also located in the county:

- **Santa Fe Studios** – located in Santa Fe County and includes two 19,275 square foot stages, 25,000 square feet of production office space, 4,600 square feet of mill space, and a 57-acre backlot.
- **Garson/Aspect Studios** – located on the former campus of the Santa Fe University of Arts and Design (currently known as the Midtown Campus) with two stages totaling 24,000 square feet, 3,500 square feet of office space on a 64-acre campus. The proposed master plan includes six new stages, a film school, production offices, mill space, and a post-production facility.
- **Camel Rock Studios** – first Native American owned film studio in the history of Hollywood on Tesuque Pueblo land, opened in 2020, 10 minutes north of the Santa Fe Plaza in Santa Fe County. It is a 75,000 square foot facility, has six interior standing sets, mill space, production offices, 100 acres of undeveloped land of varying scenic aspects as a dedicated backlot, and 17,000 acres of access to shoot throughout Tesuque Pueblo.



Bonanza Movie Ranch; Source: Tomas Abreu

- **Bonanza Creek Movie Ranch** – located in Santa Fe County near La Cienega, this outdoor set has one movie town, four homesteads, one fort, and over 1,000 acres of 360-degree panorama vistas, ponds, mesas, and plains.
- **Cerro Pelon Western Set (aka Cook Ranch)** – located on 20,662 acres and is one of the largest properties in the county. It was originally built for the feature film, "Silverado," but in 2007 "3:10 to Yuma" spent \$2 million to expand and revise the western set and has seen multiple expansions and improvements since. Most recently in 2019/2020 for a Netflix feature film still in production. Among the 30+ films shot here, notable films are "Lonesome Dove," "Wild West," and "Thor."
- **Eaves Western Set** – exists on 1,500 acres located south of Bonanza Creek in Santa Fe County, this outdoor movie ranch was founded by J.W. Eaves in 1962 for the CBS television series, "Empire." Over 250 productions have been filmed over the years; "The Cheyenne Social Club" starring Henry Fonda and James

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Stewart, "Chisum" starring John Wayne, "Easy Rider" starring Peter Fonda and Dennis Hopper, "Young Guns II," and "The Ballad of Buster Scruggs."

- **San Cristobal Ranch** – an 81,000 acre working ranch south of Lamy in the county. The set was built in 2017 for the Netflix series, "Godless." The set cost \$14 million, the most expensive set at the time for a Netflix production. It is comprised of 28 buildings, including a hotel, livery, saloon, dry goods store, jail, several shanties, and a mine.
- **El Rancho de las Golondrinas** – a living history museum located on 200 acres in the La Cienega Valley. There are 34 outdoor buildings available for filming and a range of historic buildings for indoor filming. Productions have been filming at this location for over 50 years with classics such as, "Butch Cassidy and Sundance Kid," "Wyatt Earp," and "The Missing."

There are several entities that support education and workforce training programs for the film industry in the county, including Santa Fe Community College, the Institute for American Indian Arts, and at local high schools. Plans are in place to partner with UNM, CNM, and other film programs throughout the state and nationally. Film and media production training will also be offered at the future Film and Media School at the Midtown Campus.

2. Digital Media Industry Trends

More conventional digital media outlets, such as publishers, have long played a key role in Santa Fe County's economy. There are a large number of existing independent publishing companies that include Radius Books, Sunstone Press, Red Mountain Press, Twin Palms publishers, Synergetic Press, Terra Nova Books, Stalking Horse, and others. Santa Fe County has historically supported smaller independent and experimental digital media and art sectors, which has not only helped to attract tourists to the region but has also expanded what people think of when they imagine art and media in Santa Fe County.

3. Opportunities

Santa Fe County has a nationally significant film and digital media industry that continues to attract large scale film and television productions. There is an opportunity to continue to support the success of this industry through close partnership with the Santa Fe Film Office, careful operation and preservation of the county's film studios and outdoor stage sets, and investment in programs for post film production.

It is also important to note the direct positive impact that the film sector has on tourism in Santa Fe County. In addition to film related tourism, movies and television series set in and around Santa Fe County highlight the natural beauty of the county and attract visitors who are looking to experience the wide range of natural amenities that it offers. Additional opportunities to use the film sector to leverage the natural amenities in the county and vice versa should continue to be

explored. Support of this relationship will be important to having direct coordination between film and television production companies and tourism organizations.

E. Green Industries, Alternative Energy, and Sharing Economy

Sustainable development is a critical component of any modern economic development plan. It ensures that we create a framework that preserves natural resources—such as water, air, soil, and fuel energy—for future generations. A key aspect of a sustainable economic development plan is fostering opportunities for innovative companies that focus on green industries and new techniques. In addition to promoting environmentally friendly technologies that support renewable energy, clean air, water, and soil, the sharing economy also plays a vital role in the green economy. By enabling communities to share resources like cars, bicycles, and books, the sharing economy reduces the carbon footprint associated with production and conserves essential inputs such as metals, trees, and other resources.

Green industries include those focused on renewable energy, water and energy conservation technology, and decarbonization. These industries contribute to sustainable economic development by providing jobs while also protecting natural resources, minimizing generation of waste and emissions, and fostering safe and responsible production. Sustainable economic development is essential to enhancing community resilience, public health, recreation, and tourism in Santa Fe County.

1. Industry Trends

In 2017, the County passed a resolution aligning with the goals of the 2015 Paris Agreement to reduce greenhouse gas emissions to net zero by 2050. Since then, the County has led by example through the completion of an inventory of greenhouse gas emissions from municipal operations and actions to reduce emissions through both an incrementally phased Operational Greenhouse Gas Emissions Reduction Plan and a comprehensive *Countywide Climate Action Plan* approved by the Board of County Commissioners in 2023. Each year the County reports emissions and sustainability practices to the global Carbon Disclosure Project (CDP). In 2023, the County was graded (A-) at the leadership level for mitigation and adaptation, highlighting the County's solution focused and proactive responses in policy and projects to mitigate the impacts of climate change and increase resiliency.

In 2020, the County adopted the performance-based pathway in the 2018 International Energy Conservation Code (IECC), joining a number of states throughout the nation in making energy efficiency a focus in new construction and remodeling. In 2021, and again in 2023, Santa Fe County pledged to decrease 60 percent of greenhouse gas emissions in the building sector countywide by 2030 and support the development of net-zero design approaches through the Race to Zero Initiative and the Department of Energy's Better Climate Challenge. The

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County has also committed to the 30x30 initiative pledging to conserve and protect 30 percent of all land and water in the county by 2030.

Santa Fe County is committed to increasing renewable energy sourcing through the development of photovoltaic (PV) systems on county buildings and through collaborative partnerships with utility providers. As a subscriber to the PNM Solar Direct program, 50 percent of the energy used within County-owned facilities serviced by PNM comes from renewable resources. Additionally, the County installs an average of three to four new PV installations on county facilities annually. To date, 24 PV systems have been installed targeting facilities with the highest energy usage such as fire stations, senior centers and community centers. County PV systems generate over 3 million kilowatt hours (kWh) annually, saving over \$320,000 in tax dollars and reducing greenhouse gas emissions by approximately 3,000 tones each year, equivalent to 5.4 million miles driven by a passenger car or the amount of carbon sequestered by 2,630 acres of U.S. forests in one year.



The Nancy Rodriguez Community Center; Source: Santa Fe County

Santa Fe Community College (SFCC), recognizing the increasing job market in green industries, has added numerous green trade and technology programs, including the Energy Smart Academy, aquaponics and biodiesel tracts, and smart building design, facility maintenance, and renewable distributed energy trainings. SFCC has also partnered with the National Labs, other academic institutions, and industry groups to develop a curriculum around algae production and research.

Additionally, the number and accessibility (both monetary and technical) of green and energy efficiency certifications is increasing. The Santa Fe Area Home Builders Association has a Green Building Council with a mission to promote green building practices by educating members and the public about green building techniques, certification programs, and sustainable building tax credits.

The county is home to a Green Chamber of Commerce and numerous private, government, and nonprofit employers in the sustainability field. These include

employers focused on green building, policy, conservation, environmental education, restoration and remediation, solar installation, water-wise landscaping, and waste management. In particular, the county has a strong network of architects, crafts people, and other professionals with experience in Leadership in Energy and Environmental Design (LEED), adobe construction and other natural material construction, retrofits for historic buildings, Home Energy Rating System (HERS), zero emission or “net-zero” homes, Passive Energy Homes (typically with a passive solar design), Water Efficiency Rating Score (WERS), and other specialties.

2. Opportunities

There are several opportunities for the County to support green industries that will provide for sustainable economic development, social benefits, and natural resource protection.

- **Energy Efficiency** – The County has the opportunity to build on the 2021 International Energy Conservation Code beyond what is required in the SLDC by partnering with existing agencies who carry out efficiency assessments and upgrades.
- **Solar** – The ETA and Community Solar Act will likely prompt additional solar development, which can result in additional green energy jobs and property tax revenue.
- **Grid Modernization and Expansion** – Grid modernization and the installation of new transmission lines will play a key role in the transition to clean energy. As new transmission lines are installed, they will generate money for landowners through lease agreements and provide county residents with an increased stable tax base. Construction has already started on the Western Spirit transmission line, which will originate in Santa Fe County and transmit wind energy from central New Mexico.
- **Electric Vehicles** – Annual sales of plug-in electric vehicles (EVs) in the United States have increased from 18,000 in 2011 to over 2.4 million in 2022. Further growth in EVs in New Mexico is likely to be spurred by the expansion of EV charging. The state’s recent passage of the Clean Fuel Standards, EV tax credits and the Clean Cars and Clean Trucks rule are expected to further accelerate the transition to EVs over the next two decades.
- **Workforce Development** – Santa Fe County is home to green industry job training programs and employers. There is an opportunity for the County to engage with community organizations, employers, education institutions, and workforce training providers to explore pathways to further support training, internships, apprenticeships, and access to high quality green jobs, particularly in low-income communities.
- **Recycling and Composting** – New Mexico has among the lowest recycling rates in the U.S., yet processing recyclables provides 10 times more jobs than discarding materials in a landfill. In 2015, the state recycled 308,482 tons of materials, or 16 percent of the total municipal solid waste produced, while

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Santa Fe County recycled 19 percent of municipal solid waste compared to the national average of 34 percent. Increasing recycling in the county to the national average is projected to create 4,871 local jobs. Furthermore, companies such as Hilton, Walmart, and Netflix are pledging to reduce waste and emissions, which may increase the demand for expanded recycling and organics disposal.

- **Water Conservation and Reclamation** – Climate change and anticipated population increases in the county are expected to put additional pressure on local water supplies. There is an opportunity to increase local water conservation, associated technology, treatment, and reclamation measures through Nature Based Climate Solutions, a County program that seeks to increase green storm water capture, watershed health and resiliency, as well as support residents in the development of healthy backyard habitats, storm water management, and biodiversity and numerous additional ecosystem services benefits.

F. Health Care, Accommodation and Food Services (Health & Wellness)

Santa Fe County has a competitive advantage in the accommodation and food services sector, according to a recent Location Quotient study. Job creation in this sector stimulates job growth in other sectors as well. Additionally, healthcare and social assistance are crucial industries in the county due to its demographic profile. By considering both industries, along with the county's history in the wellness industry, we have decided to group them together to highlight the benefits of targeting these sectors. From here on, we will refer to this combined group as "Health and Wellness."

Health and wellness is a broad category including traditional health care services and facilities as well as mental health, nutrition, and alternative wellness treatments and services. It is a growing niche industry in Santa Fe County as provided by wellness focused hotels and resorts that offer services and experiences to heal the body and mind. In addition to more cultural and spiritual wellness amenities, more conventional health care related industries have experienced significant growth and are expected to continue to grow given the aging population of the county and therefore will play an important role in the county's overall economic base.



Ten Thousand Waves Japanese Spa and Resort

1. Industry Trends

Over the past decade, Santa Fe County has seen growth in the wellness industry and has remained as a destination for holistic healing and rejuvenation. These businesses use experimental and ancient practices to offer a mind, body, and soul experience including Ten Thousand Waves Japanese Spa and Resort, The Spa at Four Seasons Resort Rancho Encantado, Ojo Santa Fe Spa Resort, and Auberge Resorts Bishop's Lodge. Wellness focused hotels and resorts also play a key role in this sector in addition to less established sectors such as medicinal marijuana and alternative health/wellness businesses such as the Modern Elder Academy.

As it relates to services related to more conventional health care jobs, there are multiple areas that the County can build on to support continued growth. Demand

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for physicians, nurses, and home healthcare workers is expected to continue to be strong over the coming years as Santa Fe continues to see an aging population. In addition to these jobs, there will be demand for nurses' aides, technicians, and other jobs that play a more supporting role in this sector. The education for many of these jobs are provided by the Santa Fe Community College (SFCC) that continues to invest in this sector.

2. Opportunities

National and regional trends continue to elevate the importance of a robust and successful healthcare and wellness sector in a regional economy. There is an opportunity to continue to support the growth of this sector through additional investment and partnerships with regional education and training providers. Santa Fe Community College's (SFCC) nursing and medical tech programs are large and growing and will need to continue to invest in teachers and programs to support the increased demand for educated health care workers. Programs such as these as well as smaller programs and schools, such as SFCC's nutrition program and Southwestern's counseling and therapy programming, provide an opportunity to build and expand the regional workforce and provide a growing health and wellness sector with the employees that they need.

There is an opportunity to continue to expand employment related to Health Care and Social Assistance. Nationally, this sector is expected to grow at a significant pace. Santa Fe County is well positioned to capture a significant portion of this growth due to the county's high concentration of households over the age of 55 and its reputation as a highly attractive retirement location. Growth in this sector is likely to include expanding traditional employers such as hospitals, urgent care, and retirement centers as well as new and growing sectors that include alternative treatment and medicine providers, mobile and home healthcare, herbal medicine, lifestyle and wellness retreats and centers, and others.



Seasons Resort Rancho Encantado Santa Fe

4. Infrastructure Needs

The last plan sections have discussed target industries in detailed. In alignment with the previous section, we have identified key target industries as value-added agriculture, arts, culture and creative industries, outdoor recreation, films and digital media, green industries, and health care and wellnesses. While these sectors hold significant potential for economic growth, their success hinges on overcoming certain limitations and addressing critical infrastructure needs. Challenges such as inadequate transportation networks, limited broadband access, and insufficient facilities for production and distribution can hinder the development of these industries. To fully realize their potential and position them as competitive and thriving sectors, we must prioritize infrastructure improvements, invest in modern technologies, and ensure the availability of resources that support sustainable growth.

Coordinating and infrastructure development is vital to the county's ongoing economic health. Several plans, including the 2019 *Capital Improvement Plan*, 2017 *Infrastructure Buildout Analysis*, 2018 *Improving Broadband Access Study*, and 2023 *Affordable Housing Plan* enumerate critical infrastructure investments that will be required to meet the needs of a growing population. The most critical infrastructure issues impacting the County's economic development initiatives are: 1) the lack of adequate broadband network infrastructure required to serve modern business and household needs; 2) the lack of affordable housing options for the local workforce; 3) the need to train the local workforce for economic diversification; and 4) the lack of adequate water and wastewater infrastructure necessary to support development throughout its primary growth areas.

A. Broadband

Telecommunications infrastructure, and specifically high speed and affordable broadband, are crucial assets for both businesses and residents. The 2015 SGMP and the 2022 County Strategic Plan both identified the availability and speed of existing broadband service as an existing deficiency in Santa Fe County and the number one infrastructure investment priority. The availability of affordable high-speed broadband is an essential asset to nearly all businesses, from small retail stores and agricultural product producers using the internet for E-commerce, to medical, technical, and educational providers wiring large amounts of databases, data intensive images, and conducting online training services and remote work options. The availability of broadband service in the county has improved over the last five years. The Santa Fe area now has a total of 33 provider networks including 2 cable, 5 copper, 7 DSL, 5 fibers, 7 fixed wireless, 5 mobile broadband, and 2 satellite providers.

1. Higher Speed Fiber

Higher speed fiber lines to the home or business is far less available in the county with less than 2 percent of households in the Santa Fe area having that option.

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Fiber offers more bandwidth and flexibility than existing alternatives and is considered a long-term investment necessity to keep up with technology requirements for economic development. For example, industries that rely on data centers—such as software companies—as well as financial services and manufacturing companies, require the ultrawide bandwidth provided by fiber. Fast connections also facilitate complex functions from remote locations such as CAD and manufacturing. As telecommuting grows in popularity amongst employers and employees, providing high-speed internet to the home enables this option for residents in rural communities who live far from major employment centers.

In sparsely populated rural areas, some local governments have taken proactive actions to help facilitate the development of fiber optic lines. Investing in fiber infrastructure has become more prevalent in smaller, rural communities in order to stay competitive with peer cities primarily because private providers have been slow to build the digital infrastructure necessary to support high-capacity service. Traditional private providers, such as Lumen Technologies (formerly CenturyLink), Comcast and Verizon typically roll out connections based on existing consumer volume and on overall population density. In many rural areas, the size of the potential customer base makes investing in hardline fiber backbone infrastructure financially infeasible.

2. *REDI Net*

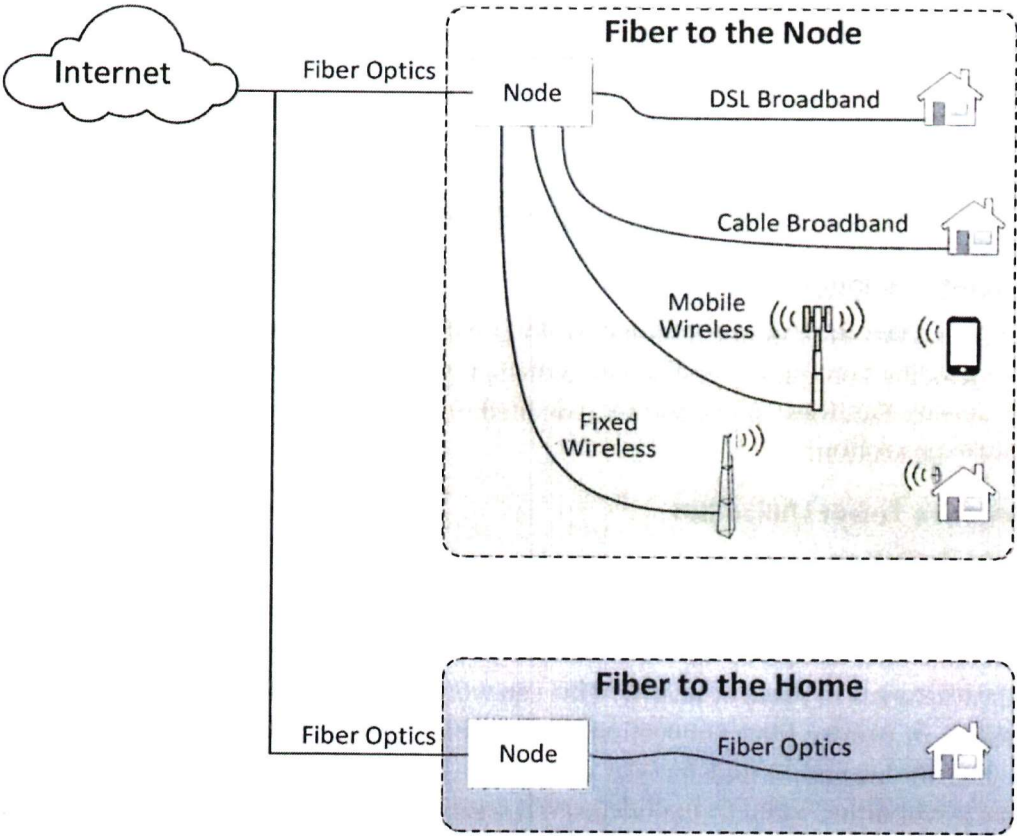
Established in 2010 by a consortium of local and tribal governments that applied for a BTOP (Broadband Technology Opportunities Program) grant under ARRA (American Recovery and Reinvestment Act), REDI Net (Regional Economic Development Initiative-Network) has developed a “middle mile” fiber optic broadband network in Northern New Mexico. REDI Net fiber is a “super highway” of broadband from north of Espanola to Santa Fe (as well as within Los Alamos County) and allows connectivity along the network. However, agreements in the grant restrict REDI Net to only serve governmental anchor institutions or act as the highway for broadband with ISPs (Internet Service Providers) acting as “off-ramps,” providing end-user connectivity through various technologies: fiber to the home, DSL, or wireless connections, to more remote areas.

The REDI Net fiber-optic network along US-84/285 from Espanola to Santa Fe is intended to make connectivity to fiber-optic lines for broadband more feasible and affordable. Although REDI Net first started serving high speed connectivity in 2012, the high cost of expansion in a rural landscape as well as the lack of organizational capacity have been a challenge that has hindered its ability for network growth in northern and southern Santa Fe County. The County Commission has directed the Economic Development Division to facilitate the development and implementation of a comprehensive Broadband Plan to address the current and future operational needs of the County administration and better coordinate the expansion of the REDI Net organization and network to expand broadband for all in the county.

3. Fiber Deployment Strategies

Santa Fe County commissioned a study by Crestino Telecommunications Solutions in 2018 titled *Improving Broadband Access*. The most impactful approach identified was to expand the reach of fiber optic cables deeper into communities. In most areas of the county, the low population density makes it cost prohibitive to install fiber optic infrastructure all the way to a home or business, referred to as Fiber to the Home (FTTH). The more cost-effective option is to use a Fiber to the Node approach where fiber optic cable is extended to a node such as a DSL cabinet (which uses existing copper phone lines) or a communications tower using a microwave dish, and where the remaining path to the consumer is supplied by other wired or wireless technologies including DSL, cable, or wireless connections as illustrated below in Error! Reference source not found.8.

Figure 8. Improving Broadband Access



This would essentially copy the REDI Net model being pursued in northern Santa Fe County. There are a number of alternative models that smaller cities and counties have pursued that match the REDI Net model: building a trunk fiber network that private sector ISPs can tap into and provide affordable broadband service in low population/rural areas.

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In 2022, the Economic Development Division applied for NTIA funding for a proposed fiber expansion in the south and east of the county called Rural Connect. The project proposed to build on an existing relationship between the County and REDI Net to build fiber optic cable middle mile infrastructure to high-need rural Santa Fe County, laying the groundwork for affordable broadband in these communities. The project would reach up to 1,713 underserved homes and businesses and 22 community anchor institutions. The proposal included extending fiber from the REDI Net Point of Presence (POP) at the Santa Fe County Fairgrounds, towards Highway 14 and south to Madrid. In addition, the fiber would extend east to Glorieta, allowing for the interconnection of crucial anchor institutions and election polling sites.

Unfortunately, the County did not receive the funding, but the telecommunications company Plateau was awarded funding to expand fiber south through the city and down Highway 14, which provides an opportunity for the County to partner with Plateau to pursue broadband expansion. In addition, the County can pursue additional state funding for an eastern lateral extension to Glorieta.



Source: [Margaret Burlingham](#) - stock.adobe.com

B. Affordable Housing

In July 2023, the Board of County Commissioners of Santa Fe County adopted the County Affordable Housing Plan and Affordable Housing Assistance Grant or Loan Ordinance. These documents are required under the New Mexico Affordable Housing Act and Affordable Housing Act Rules to allow the County to seek state resources for the creation of affordable housing within Santa Fe County. The Plan evaluates housing conditions and needs in the county and provides recommendations on goals, policies and objectives for creating affordable housing within the community.

The Plan identifies an ongoing affordable housing crisis. The median price of a single family home reached \$789,395 in 2022, which is nearly three times higher than the price of a \$283,500 home affordable to a median household with income of \$72,500. The study estimated the need for an additional 17,000 homes to accommodate existing employees and residents, of which 6,200 units are needed to be affordable rental units at rent levels less than \$1,400 per month.

The Plan also reviewed land use regulations and policies affecting the development and delivery of housing in the county and recommended strategies to increase the supply of affordable housing. The first strategy is to provide additional incentives for building affordable housing including:

- Defining an “affordable housing development” as a project that contains 30 percent of more affordable units to be eligible for additional financial assistance;
- Extending IHO requirements to apply to all developments in both urban and rural areas; and
- Creating additional financial incentives to support affordable housing development.

The Plan also recommends the County review the land use regulations in the SLDC to remove systematic and exclusionary barriers to affordable housing.

It is important to recognize the significance of affordable housing as an economic development concern. The lack of housing affordable to the county workforce affects the ability of employers to recruit and retain workers. According to Census LEHD data, the percent of the Santa Fe workforce living outside of the county and commuting in for work increased by 13 percent from 23.5 percent in 2002 to 36.8 percent in 2019 (latest data available). The lack of a local workforce also impacts the attractiveness and competitive position of the County for recruitment of economic development prospects.

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C. Workforce Development

Supporting the county's workforce through educational and training opportunities supports the wider economic productivity of the region that can translate into expanding businesses, business creation, business relocation, the creation of jobs, and the increase of revenues to governments to supply essential services to the community. A workforce lacking the skills needed for the existing and emerging business community constrains the ability of businesses to expand and discourages new businesses from forming or staying within the community.

Preparing young people with the skills needed to pursue fulfilling careers and retraining older workers for the skills required of a changing economy requires the coordinated efforts of schools at all levels, businesses, government, and the broader community. It is necessary for educational institutions, government, and businesses to work as partners in a coordinated manner to develop curriculum that serve the needs of employers and employees.

There are a number of state and federal job training programs, apprenticeships and individual training relationships in place that have the potential to connect businesses and individuals entering the job market, changing careers, or returning to the workforce. One successful Santa Fe County funded program internship program is PROTEC (Professional Readiness and Technical Experience for Careers) that started in 2016 in partnership with the Continuing Education Department at Santa Fe Community College (SFCC). The Program surveys businesses regarding needed skills and provides internships for area students.

There are a number of other organizations involved with workforce development as listed below:

- Northern NM Workforce Integration Network (WIN)
- YouthWorks
- Santa Fe Higher Education Center (HEC)
- NMEDD Job Training Incentive Program (JTIP)
- Stagecoach Foundation
- NM Workforce Connection
- PILAS Internship Program
- HelpNM
- Northern New Mexico Local Workforce Development Board
- Workforce Tax Credits: Job-Mentorship Tax Credits, High-Wage Jobs Tax Credit, Rural Jobs Tax Credit

Combined, these programs and organizations provide a solid foundation for workforce development programming that seek to meet a variety of workforce needs throughout the county. Opportunities exist for the County to build upon the work of existing organizations and form partnerships to develop and/or expand workforce development programming.

D. Water and Wastewater

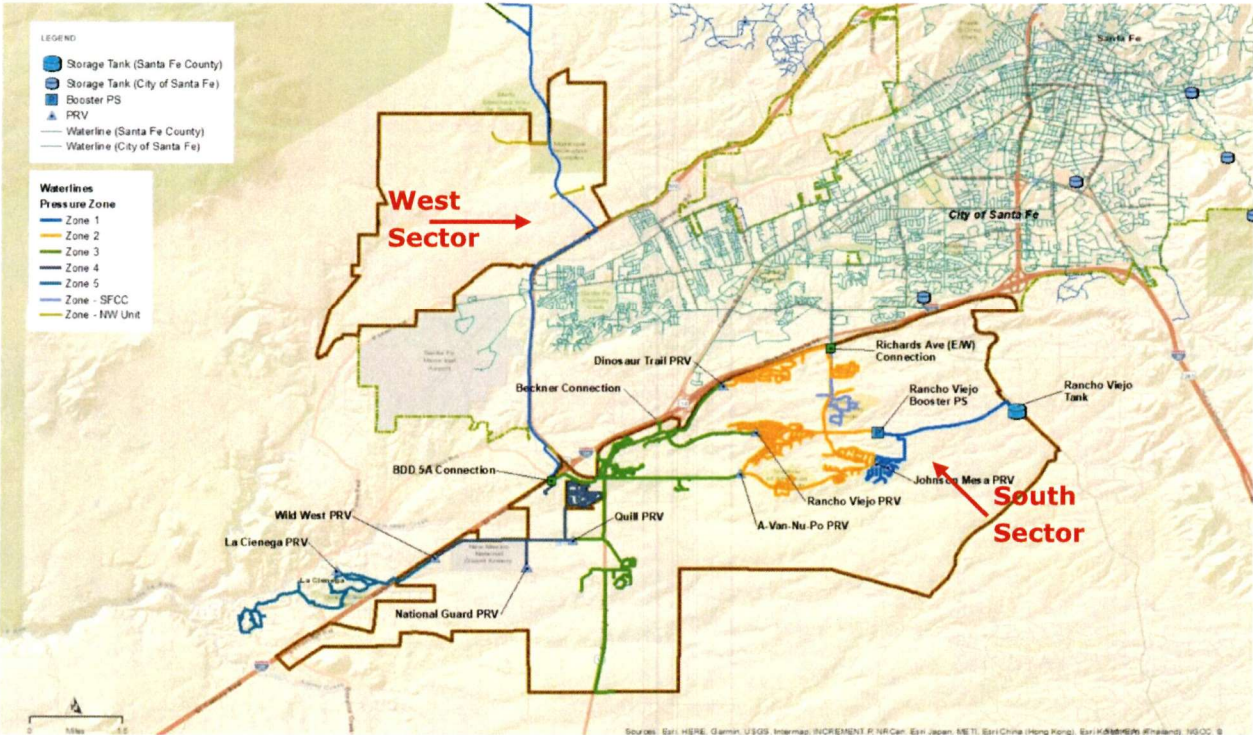
Development of central water and wastewater utility systems are key to attracting and serving commercial and industrial uses, as well as higher density housing including affordable housing. Santa Fe County Utilities (SFCU) completed a *Utility Master Plan* in 2019 that inventoried facilities and services and proposed new facilities and expansions to serve anticipated growth.

These urban utilities are located in SDA-1, which in the SGMP is defined as the county’s primary growth and service areas where new development is targeted and likely to occur and encouraged to be located over the next 20 years. A total of 39 square miles of land is designated SDA-1 out of 1,911 square miles in the county and is primarily located adjacent to the City of Santa Fe. The SDA-1 category includes the Community College District, which is the county’s primary growth area. SDA-1 also includes other developments south of I-25 and area north and west of the City of Santa Fe adjacent to NM 599.

1. Water

SFCU owns and operates a water utility system with 115 miles of distribution mains and transmission lines located in two subareas, the West Sector and South Sector as shown in Error! Reference source not found..

Figure 9. Santa Fe Water Transmission Lines



Source: HDR, Inc.

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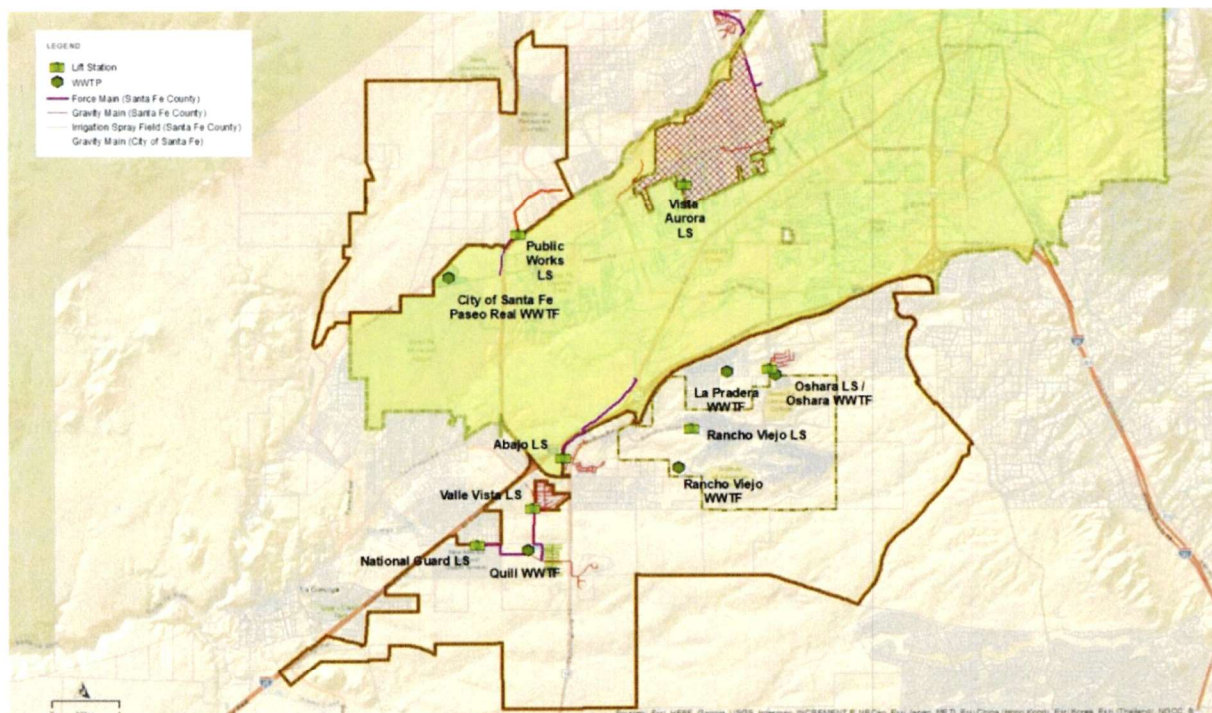
There are approximately 73 miles of pipe within the SDA-1, or roughly two-thirds of the total distribution system. The South Sector is located south of I-25 and includes the Community College District as well as Turquoise Trail, Oshara Village, La Pradera, Las Lagunitas, Valle Vista, Santa Fe Public Safety Complex, the State Penitentiary, and parts of La Cienega. SFCU also provides water to other systems including NM National Guard and NM State Penitentiary. The West Sector north of I-25 serves Las Campanas, Aldea Companas, Altea, Tessera, El Prado, Entrada, La Vida, La Serena, Los Suenos, Sonrisa, Northwest Ranches, and Vista Aurora.

2. Wastewater

SFCU operates a limited wastewater distribution system in the urbanized portion of the county south and west of the City of Santa Fe with a total of 23 miles of gravity sewer lines ranging from 8 to 12 inches in diameter. The South Sector is entirely located in SDA-1 and includes service to Turquoise Trails South, Oshara Village, and Valle Vista. Sewer service is also provided to the NM National Guard and NM State Penitentiary, which is the largest customer. The West Sector includes service to the Aldea and Tessera subdivisions as shown in Error! Reference source not found..

The Quill Wastewater Treatment Facility (WWTF) is located adjacent to the NM State Penitentiary. The WWTF was built more than 50 years ago and is in need of significant upgrades. The County is planning a treatment plant directly west of the existing facility with the capacity to serve development anticipated over the next 20 years in SDA-1.

Figure 10. Wastewater

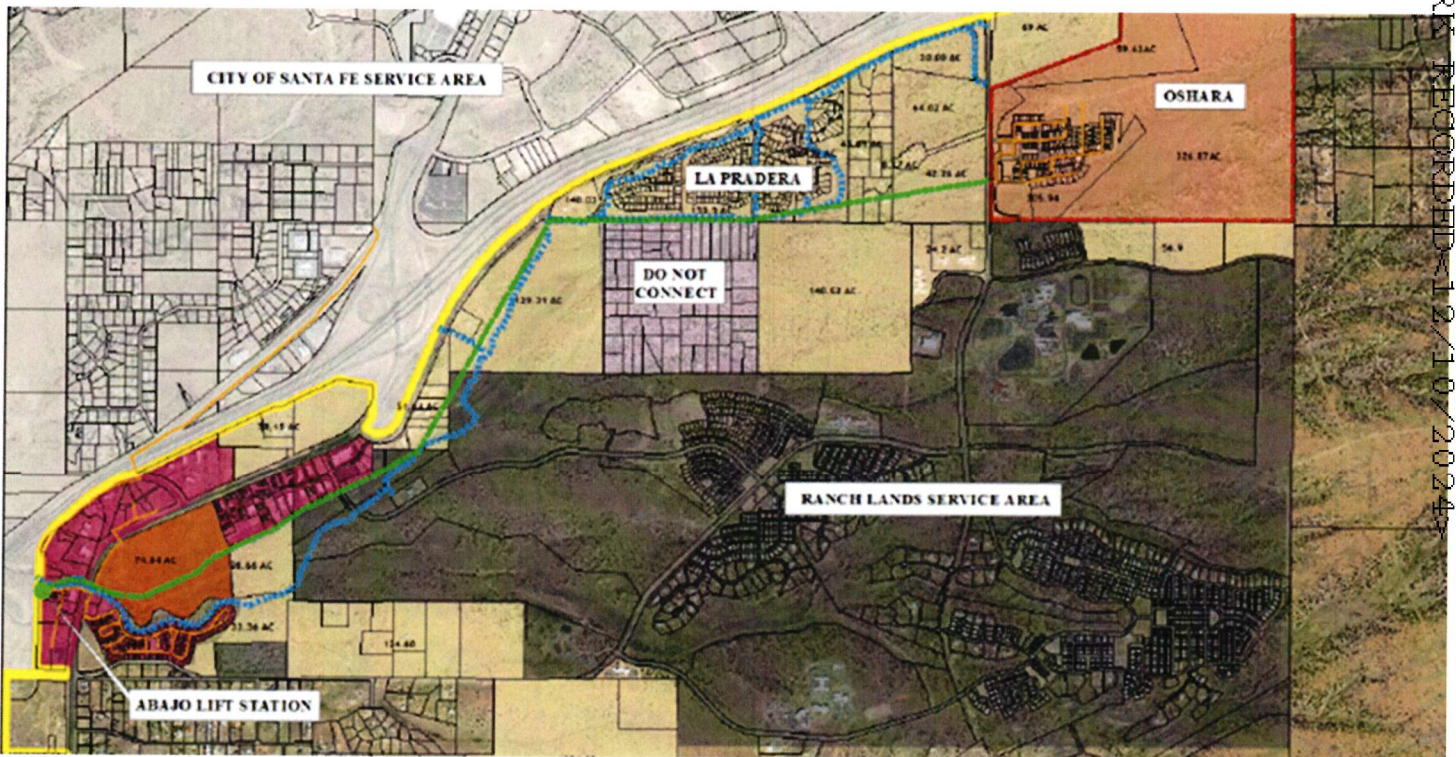


Source: HDR, Inc.

The availability of wastewater collection lines has been an obstacle to serving new development in SDA-1. There is currently a City collection line running along the south side of I-25 connecting to the Abajo Lift Station that pumps effluent north into the City of Santa Fe system as shown in **Figure 11**. The Turquoise Trail Business Park and other smaller projects are currently connected to this line. Oshara Phase 1 is on a package plant that is near capacity.

A new wastewater line in the South SDA zone is a top priority to serve new development, particularly for projects along I-25 north of Rancho Viejo including Oshara Phase 2 and Calibre (Turquoise Trail Business Park), and La Pradera. SFCU plans to build a collection line from Oshara through Calibre and La Pradera to its west and connecting to the Abajo Lift Station. With the completion of the new WWTP, the effluent can then be conveyed to the new plant via a collection line along Richards Avenue and SR-14. Phase 1 of the new WWTP will serve anticipated development at an estimated 75 percent of capacity. However, it can be expanded with 1.5 million gallons of additional capacity.

Figure 11. Abajo Lift Station Service Area



Source: HDR, Inc.

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3. Utility Expansion Charges

SFCU improvements are tied to available funding. The biggest obstacle to this growth occurring is the lack of trunk infrastructure, specifically water and wastewater collection and distribution lines that are close enough to planned development projects that developers can tie into at a reasonable cost. It is unreasonable, except in extraordinary situations, to expect developers to have the resources to extend trunk infrastructure and be paid back over time as intervening properties tie in.

As part of the Utility Master Plan process, SFCU completed a rate study for Water and Sewer Utility Expansion Charges (UEC) in 2019. A UEC is a one-time charge on new development based on the cost of infrastructure needed to be provided to maintain existing levels of service. This charge allows the County to pass on a portion of the cost of building new trunk infrastructure. A current study is underway to determine the appropriate charge for future growth.

E. Financial Incentives

The next section will describe community development incentives through various grants and funds provided by federal and state governments. We will discuss this public investment in detail in the following chapter

5. Funding and Financing

This section presents a high-level overview of funding sources and financing strategies available to support economic development in Santa Fe County. Adoption of this plan will enable the County to utilize state funding opportunities available through the Local Economic Development Act (LEDA) as well as potential federal funding opportunities requiring an Economic Development Plan. Funding sources provide revenues to pay for business development and attraction, as well as fund infrastructure and other community improvements. Funding sources can be a combination of state or federal grants, local sales and property taxes, land and/or property specific taxes or assessments from special districts, and user fees. Financing strategies are the means by which these funds can be leveraged through various mechanisms including debt financing, special district formations, tax increment financing and other value capture techniques, and public private partnerships.

A. Local Economic Development Act Compliance

The Local Economic Development Act allows local governments the ability to provide public funds for economic development purposes and not violate the state anti-donation clause. Santa Fe County has adopted LEDA, and this Economic Development

Plan is in line with LEDA requirements. LEDA, Section 5-10-6 (B) states that the Economic Development Plan or the Ordinance adopting the plan may:

- (1) Describe the local or regional government's economic development and community goals and assign priority to and strategies for achieving those goals; as detailed in Economic Development Plan: Section 1 Plan Goals, page 3; and Section 6 Strategies and Actions, pages 53-66.
- (2) Describe the types of qualifying entities and economic activities that will qualify for economic development projects; as detailed in Santa Fe County Economic Development Ordinance 2023.
- (3) Describe the criteria to be used to determine eligibility of an economic development project and a qualifying entity to participate in an economic development project; as detailed in Santa Fe County Economic Development Ordinance 2023.
- (4) Describe the manner in which a qualifying entity may submit an economic development project application, including the type of information required from the qualifying entity sufficient to ensure its solvency and ability to perform its contractual obligations, its commitment to remain in the community and its commitment to the stated economic development goals of the local or regional government; as detailed in Santa Fe County Economic Development Ordinance 2023.
- (5) Describe the process the local or regional government will use to verify the information submitted on an economic development project application; as detailed in Santa Fe County Economic Development Ordinance 2023, and NMSA 1978 Sections 5-10-8 and 5-10-9.
- (6) If an economic development project is determined to be unsuccessful or if a qualifying entity seeks to leave the area, describe the methods the local or regional government will use to terminate its economic assistance and recoup its investment; as detailed in NMSA 1978 Section 5-10-10.
- (7) Identify revenue sources, including those of local or regional government, that will be used to support economic development projects; as detailed in Economic Development Plan, Section 5 Revenue Sources, pages 45-51.
- (8) Identify other resources the local or regional government is prepared to offer qualifying entities, including specific land or buildings it is willing to lease, sell, or grant a qualifying entity; community infrastructure it is willing to build, extend or expand, including roads, water, sewers, or other utilities; and professional services contracts by local or regional governments necessary to provide these resources; as detailed in Santa Fe County Economic Development Ordinance 2023.
- (9) Detail the minimum benefit the local or regional government requires from a qualifying entity, including the number and types of jobs to be created; the proposed payroll; repayment of loans, if any; purchase by the qualifying entity of local or regional government-provided land, buildings, or

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infrastructure; the public to private investment ratio; and direct local tax base expansion; as detailed in Santa Fe County Economic Development Ordinance 2023.

- (10) Describe the safeguards of public resources that will be ensured, including specific ways the local or regional government can recover any costs, land, buildings, or other thing of value if a qualifying entity ceases operation, relocates or otherwise defaults or reneges on its contractual or implied obligations to the local or regional government; as detailed in Santa Fe County Economic Development Ordinance 2023 and NMSA 1978 Section 5-10-10.
- (11) If a regional government, describe the joint powers agreement, including whether it can be terminated and, if so, how the contractual or other obligations, risks and any property will be assigned or divided among the local governments who are party to the agreement. N/A Santa Fe County is not a regional government.

B. Revenue Sources

In addition to LEDA, this section identifies the revenue sources that Santa Fe County will utilize to provide public support for economic development projects.

1. State and Local Funding Sources

The New Mexico statutes provide a number of programs to assist cities and counties with economic and community development activities as summarized below.

a) County Infrastructure Gross Receipts Tax

Counties in New Mexico are authorized to impose an Infrastructure Gross Receipts Tax (I-GRT) in increments of 1/16 of 1 percent up to a maximum of 1/8 of 1 percent. The use of I-GRT is for county infrastructure projects, public transit facilities and services, and includes implementing economic development plans and projects as defined by LEDA.

The County has “maxed out” its ability to implement additional gross receipt taxes that can be applied to capital needs. The local option General Purpose GRT limit is \$0.4375 that can be approved in three increments at \$0.125 and a fourth increment at \$0.0625. The County has implemented all four increments. The County has also implemented three additional GRTs that can be applied to capital needs including a \$0.25 Capital Outlay GRT, a \$0.125 Fire Excise Tax, and a \$0.125 Environmental GRT (applied to water and wastewater capital projects).

b) Tax Increment Development District

The Tax Increment for Development Act was approved by the state in 2006 to support job creation, workforce housing, public school creation, and redevelopment efforts. A Tax Increment Development District (TIDD) can be initiated by a city or

county for a significant private development that generates new economic activity and that has the ability to generate tax increment to pay for eligible public improvements. A TIDD has the ability to use tax increment financing of GRT and/or property taxes at the city, county, and/or state level up to a maximum of 75 percent of the tax increment generated. These TIDD revenues are used to back revenue bonds issued to build infrastructure and other public improvements to support the private investment generating the new GRT and/or property taxes. This financing tool has been used for major development projects such as Mesa del Sol and Winrock Town Center, both in Albuquerque; Downtown Las Cruces; and Village at Rio Rancho. A project eligible for TIDD would need to be a significant new development generating net new economic activity to the region.

c) Public Improvement District

A Public Improvement District (PID) is a special district created by a city or county and approved by the majority of the property owners within a defined area to fund infrastructure including utilities, streets, parks, public buildings, and schools that benefit the properties included in the district. A PID can levy property taxes, or alternatively use a property assessment to pay for improvements. This type of land-secured financing is often used for a major infrastructure project such as a highway interchange where the surrounding property owners are going to benefit from the improvement and are therefore willing to pay an additional tax to finance its construction.

d) Special Assessment District

A Special Assessment District (SAD) can be formed within a city or county for purposes of financing infrastructure improvements. A SAD is most often initiated by property owners for the installation of street, storm drainage/green infrastructure, water, or wastewater improvements. An ordinance of the city or county assesses the cost of the improvements to the properties within the district and sets the terms for payment. The district can be approved by resolution of the governing body and does not require a special election.

e) Infrastructure Development Zone

Infrastructure Development Zones (IDZs) are quasi-municipal entities created to fund infrastructure construction or upgrades. Created by the legislature in 2009, IDZs are similar to PIDs. The scope of permissible services is almost identical and includes water and sewer systems, drainage systems, public safety and fire protection facilities, and roads and parks. An IDZ must develop a service plan that defines the scope of its activities. Unlike PIDs, IDZs may include noncontiguous properties and may extend across multiple jurisdictions. To date, there have been no IDZs proposed in New Mexico, which is assumed to be due primarily to its similarity to PIDs.

Property owners within an IDZ agree to an additional property tax to fund infrastructure needs (requires 30 percent approval), creating a system where infrastructure is funded directly by property owners rather than local government.

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Projects are financed through several channels: general obligation bonds, funds contributed by a municipality or county, annual property taxes or special assessments, state or federal grants or contributions, private contributions, user, landowner and other fees, tolls and charges, proceeds of loans or advances, and any other legally permissible sources.

f) Industrial Revenue Bonds

Industrial Revenue Bonds (IRBs) are tax exempt bonds issued for economic development projects. An IRB is a loan by a lender/bond purchaser to a company, where the loan proceeds and the loan repayments flow through a government issuer. The tax benefits of IRBs result from the form of the loan and the involvement of a government issuer, with the government issuer taking title to the facility and/or equipment. A typical IRB structure involves a company that wants to purchase and/or construct and/or equip a facility. Instead of purchasing, constructing, or equipping directly, the company enters into an agreement to lease the facility from the government issuer, construct and equip the facility and, at the end of the lease term, purchase the facility from the issuer at a nominal price. In order to obtain the funds to purchase, construct, and equip the facility, the issuer issues bonds, which are sold to the company's lender or an affiliate of the company.

g) New Markets Tax Credits

The federal New Markets Tax Credit (NMTC) program was established to provide greater access to financing for new, expanding or relocating businesses in underserved areas. The New Mexico Finance Authority operates the NMTC program on behalf of the state. Finance New Mexico and the Finance Authority are targeting the use of the state's annual allocation of tax credit incentives to add to existing statewide economic development initiatives. Projects eligible for NMTC funding must be located in qualified census tracts. These tracts are generally located in "highly distressed" census tracts (75 percent of New Mexico's total allocation must be invested in qualified census tracts). In September 2023, NMFA received a \$25 million allocation of tax credits from the Department of the Treasury as its NMTC award from the 2022 application cycle.

h) Other State Incentives and Grants

The State of New Mexico has an extensive list of personal and business tax credits available for business startups and expansions in targeted industries, as summarized below. More specific data on qualification and specific rates are available through the NM Taxation and Revenue Department.

- **Conservation and Preservation Tax Credits** – New Mexico has a number of credits for projects that preserve or conserve cultural, natural, or agricultural resources. These tax credits include a wide range of renewable energy projects, land and water conservation projects, and cultural restoration or preservation projects.

- **General Industry Tax Credits** – The state has a number of general industry tax credits for specific economic development activities including business facility rehabilitation, creating high wage jobs, investment in manufacturing equipment, investment in small research and development businesses, and for businesses engaged in activity with Indian nations.
- **Industry Specific Tax Credits** – There are also tax credits for business activity in New Mexico. Targeted industries include Advanced Energy, Film Production, and Small Business Partnerships with national laboratories.
- **Employment Growth** – Adding new employees qualifies for tax credits in a number of industries and settings including technology jobs at qualified R&D facilities, high wage jobs, jobs in rural areas, welfare to work jobs, and job training jobs.
- **Job Training Incentives** – New Mexico has reportedly the most aggressive job training incentives package in the country. The Job Training Incentive Program (JTIP) funds classroom and on-the-job training for newly created jobs in expanding or relocating businesses for up to six months. JTIP funds are available for manufacturing businesses and for other non-retail businesses that export 60 percent of their services outside of the state. This program is administered by the New Mexico Economic Development Department.
- **Sustainable Building Tax Credit** – The Sustainable Building Tax Credit program was signed into law in April 2015. The program provides a tax credit of \$6.50 per square foot and caps the eligible size per home at 2,000 square feet. Water conserving features are required: each home must have indoor plumbing fixtures and water-using appliances that have average flow rates equal to or lower than EPA's "WaterSense" certification. In addition, the credit requires a water line that can be connected to a drip irrigation system in the front and back of a residence in any potential landscaping areas.

2. **Other NM EDD Grants**

The state EDD has established new divisions providing technical assistance and grants in Outdoor Recreation and Creative Industries.

- **Outdoor Recreation Division** – The Outdoor Recreation Division was established in 2019 with three grant fund programs:
 - The Outdoor Recreation Trails Grant with \$10 million in funding for 2024 for grants of up to \$100,000 for local grants and up to \$500,000 for regional grants to fund outdoor infrastructure projects.
 - The Outdoor Marketing Grant program provides grants of \$15,000 to \$30,000 for event sponsorships, print brochures, maps, guidebooks and other marketing materials.

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- The Outdoor Equity Fund with \$1 million in funding for local governments and schools to provide outdoor experience programs for underprivileged youth.
- **NM Film Office** – The New Mexico Film Office, a division of the Economic Development Department, provides grants to new and expanding film studios and provides grants to local governments to assist with new, expanding or relocating businesses that stimulate economic development. A studio would qualify as an “Economic Base Employer” generating net new development activity to the state in the form of new employment, wages, and capital investments. Another program that has incentivized film development is the New Mexico Film Partner Program (FPP). By committing to produce film/commercial audiovisual products in New Mexico for a 10-year period through either an executed contract to lease a qualified production facility or through a purchase of a qualified production facility, film companies can become film partners. This gives them access to “a separate, uncapped tax fund, allowing 25-35 percent of eligible expenditures” to be covered. The state currently has three film partners: Netflix, NBCUniversal, and 828 Productions.
- **Creative Industries Division** – In 2023, the state approved the creation of the Creative Industries Division to provide grants to a communities supporting start-ups and other small businesses in creative industries throughout the state.

3. Federal Funding Sources

The federal government has a number of competitive grant programs that can provide funding for economic development and community development activities in the county, as summarized below.

a) Economic Development Administration

The Economic Development Administration (EDA) works in partnership with distressed regions to address problems associated with long-term economic distress as well as to assist those regions experiencing sudden and severe economic dislocations, such as those resulting from natural disasters, conversions of military installations, changing trade patterns and the depletion of natural resources. Santa Fe County is part of the North Central New Mexico Economic Development District that meets the economic distress criteria to be a qualified Economic Development District (EDD) and is eligible for EDA grants and technical assistance. The primary EDA programs of relevance to Santa Fe County are:

- **Public Works** – Provides grants to revitalize, expand, and upgrade their physical infrastructure (e.g., roads, water/wastewater, broadband) to support new industry, business expansion, economic diversification, and generate or retain long-term, private sector jobs and investment.

- **Economic Adjustment Assistance Program** – Assistance to areas that have experienced or are under threat of serious structural damage to the underlying economic base from natural disasters or industry restructuring.
- **Revolving Loan Fund** – EDA administers its Revolving Loan Fund (RLF) program that allows local loan administrators to provide gap financing to small businesses and entrepreneurs.
- **Planning** – Assists EDDs, as well as Indian Tribes and other eligible recipients, with the preparation of Comprehensive Economic Development Strategies (CEDs), as well as project specific planning activities including market and feasibility studies.

b) Community Development Block Grants

The Community Development Block Grant (CDBG) Program provides annual grants to entitlement cities and counties that can be invested in defined low-income census tracts for public infrastructure, economic development, or low-income housing development projects. There are five entitlement communities in New Mexico that receive an annual CDBG allotment: Farmington, Las Cruces, Rio Rancho, Albuquerque, and Santa Fe. The State of New Mexico's Department of Finance and Administration allocates the balance of New Mexico's CDBG funds as competitive grants for non-entitlement communities to use for capital improvements and infrastructure.

c) RAISE Grants

The RAISE (Rebuilding American Infrastructure with Sustainability and Equity) discretionary grant program (known as the TIGER Grant until 2018 and the BUILD Grant through 2021) is a competitive transportation grant program. Funds are allocated to projects for road or bridge, public transportation, passenger and freight rail, port infrastructure investments, and intermodal projects. Eligible transit projects include bus, bus rapid transit, commuter rail, Intelligent Transportation Systems (ITS), light rail, multimodal centers, streetcar, and subway. RAISE is a reimbursable program, which means that the recipient must pay project costs as they are incurred and submit requests for reimbursement, so they must have access to sufficient non-RAISE funding sources to manage cash flow associated with the project.

Total funding for this program was recently increased, with the \$1.5 billion in available funding for 2022 representing a 50 percent increase in available funds compared to the previous year. New under the Bipartisan Infrastructure Law, 2022 RAISE applications will be evaluated on the criteria of mobility and community connectivity, in addition to existing criteria. Projects are required to submit a benefit cost analysis (BCA) as part of the application process, an important criterion for ranking projects. There is a maximum funding level of \$25 million per project and \$150 million per state per year.

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d) Other Federal Programs

The federal government provides assistance to small businesses through the Small Business Administration (SBA) including the following programs to businesses with a net worth of less than \$15 million and annual net income of less than \$5 million.

- **SBA 504 Loan Program** – provides low down payment loans of up to 20 years for purchasing land and buildings, machinery and equipment, and/or infrastructure.
- **SBA 7 (A) Loan Guarantees** – loan guarantees for up to 80 percent on loans for land, buildings, equipment and working capital.

The Department of Agriculture (USDA) provides assistance to rural communities with populations of less than 25,000 and includes the following:

- **USDA Revolving Loan Funds** – low interest loans for business development administered locally through a bank, utility provider, or local government.
- **Rural Development Business and Industry Loan Guarantees** – loan guarantees of 70 to 90 percent on loans of up to \$10 million.
- **Rural Development Enterprise Grants (RDEG)** – grant funding provided to local governments to be used to help small and emerging businesses to purchase land, equipment, working capital, and/or infrastructure.
- **Clean Water State Revolving Fund** (for water and wastewater projects) – ties in with infrastructure needs.

4. *Financing Strategies*

Financing strategies are the ways by which the above grant and loan sources can be utilized to accomplish the County's economic development goals. There are two primary priorities for use of external funding, 1) the County's capital improvement needs, and 2) incentives to support high priority development and recruitment efforts.

- **Capital Improvements** – The County completed the *Santa Fe County Capital Improvement Plan and Revenue Study* in 2019. The report documented a comprehensive list of roadways; water and wastewater; open space, parks, and trails; emergency services; and other capital needs contained in other County plans and studies and prioritized projects by time period.
- **Business Development Partnerships and Incentives** – County staff identified a need for dedicated funding for business development projects and programs. Currently, requests for funding are considered on an ad hoc basis by the Board of County Commissioners, which does not facilitate proactive action on high priority projects. It also results in a slow and uncertain review process and a lack of clarity on economic development priorities.

6. Strategies and Actions

This section outlines the recommended strategies and actions to realize the economic development opportunities outlined in the previous sections of the plan and allows for greater access to funding options.

A. Infrastructure Needs

1. Maintain existing infrastructure and support the implementation of critical infrastructure deployment plans.

Successful community and economic development is built upon well-maintained and deployed infrastructure systems. Ensuring that existing infrastructure is maintained, and new infrastructure is deployed will be critical to the vitality and growth of the Santa Fe County economy, and to the quality of life of its residents. Several plans, including the 2019 *Capital Improvement Plan*, and the 2017 *Infrastructure Buildout Analysis*, enumerate critical infrastructure projects that will be required to meet the needs of a growing population.

1a. Identify and secure capital for infrastructure project deployment.

The Economic Development Division will assist in identifying and securing funding to support the implementation of critical public infrastructure projects as detailed and prioritized in the Santa Fe County *Capital Improvement Plan*.

1b. Provide funding and financing support to private sector development projects that include infrastructure improvements of benefit to the larger community.

The Economic Development Division will seek to develop programs to assist private developments with access to financing for projects that include infrastructure improvements of benefit to the larger county and its residents.

1c. Coordinate concurrent infrastructure deployment in County public works construction projects.

The Economic Development Division, in partnership with the Public Works Department, will support and create policies and initiatives that assist the County coordinate and ensure that new infrastructure projects are built or prepped to accommodate additional concurrent or future infrastructure improvements in efforts to minimize cost and maximize benefit. Examples of this include the adoption and implementation of Dig-Once Policies.

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2. Complete a network of high speed and affordable broadband throughout Santa Fe County.

The completion of a countywide broadband network was identified as the number one infrastructure investment priority in the 2015 SGMP and in the 2022 County Strategic Plan. The most cost effective and feasible deployment approaches may vary between urban and rural areas, but the ultimate goal is access to high speed and affordable broadband service throughout the county.

2a. Continue to support broadband deployment through REDI Net.

The County will continue to support and participate with REDI Net to ensure the deployment of accessible and affordable fiber optic/broadband infrastructure and services. REDI Net has developed a fiber optic broadband network from north of Espanola to Santa Fe that allows local ISP providers to connect through various technologies (fiber to the home, DSL, or wireless connections) to more remote areas.

2b. Complete a Strategic Broadband Development Plan for Santa Fe County.

It is a priority of the County to implement a Strategic Broadband Development Plan to better serve the rural communities outside of the well-served metropolitan areas. EDD has completed a scope of work and submitted a grant application to the state Economic Development Department for funding.

3. Create financial and other incentive programs to support and encourage affordable housing development.

The 2023 *Affordable Housing Plan* identified a number of strategies for increasing the development of new affordable housing units including additional funding and zoning changes that require a higher percentage of housing units to be built at affordable levels.

3a. Update the Down Payment Assistance program to increase the amount of assistance provided to also cover closing costs.

Often because of the length of time from loan origination to closing, buyers sometimes find themselves short of cash to cover the full closing costs. This will provide the buyer with an additional cushion to manage their cash flow at closing.

3b. Create a program to add in monies to the allowable purchase price of the affordable home for green code adjustment based on HERS (Home Energy Ratings System) Index score.

This will incentive the purchase of homes that are more energy efficient but that then cost more. Using the ratings system is an objective way to provide buyers this incentive.

B. Target Industries

Separate priority strategies and actions are presented for the six target industry sectors below.

1. Value Added Agriculture



Although agricultural employment in the county is relatively small, the land area devoted to crops and livestock is more significant. Today, agriculture continues to play an important role in the culture, history, and economy of rural Santa Fe County. The opportunities in the urban areas of the county are focused on diversification to high value agricultural products in demand by area restaurants and by value-added industries using the county's agricultural products.

1. Leverage the AgriGate website and work with organizations to build a network for connecting small area farms providing locally grown food and produce to local restaurants and institutions and value-added manufacturers.

Although some farmers are well connected to local restaurants, institutions, or retail and value-added enterprises, there is unmet demand for more locally-sourced vegetables, produce, and meat products. Business, financial, and technical assistance can encourage small farmers to diversify into higher value crops and access an increased number of markets.

1a. Strengthen linkages between food producers and processors to support the creation of value-added enterprises.

Collaborative and coordinated strategies such as the development of value-added processing and storage and aggregation facilities and infrastructure, market analysis, and agriculture ecosystem mapping (AgriGate), and technical assistance for small businesses and entrepreneurs increase opportunities for new ag-related business formations.

1b. Assist local growers in accessing capital for growing agricultural related business.

Accessing capital is essential for growing agricultural related businesses. Federal and state financial assistance is readily available for agricultural related businesses and Santa Fe County should work to market programs as they come available and provide technical assistance to assist local growers and businesses access these financial tools.

1c. Support the development of food-incubator facilities and infrastructure designed to launch and grow restaurant and food-related and value-added agricultural businesses.

Santa Fe County has a celebrated food culture marked by a myriad and blending of traditional and international cuisines and a high-quality local culinary program. Santa Fe County should support the growth of this industry by investing in public and private partnerships for development of

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incubation space for agricultural/value-added/food-related businesses, such as commercial kitchens, food court or food truck parks.

2. Work with Santa Fe County Community College and other community colleges and organizations to develop programs that support the development of new agriculturally based industries and businesses.

SFCC has a number of agriculture and ag-tech programs and initiatives including cultivation of spirulina, biofuels, and food production within its School of Trades, Advanced Technologies, and Sustainability. These programs build a trained workforce to start or staff ag-related businesses as well as potentially seed technology transfer opportunities. The County should continue to support the development and continuation of academic programs that align with the school's technology skills as well as the growth of agricultural-related businesses in the county.

2a. Support wineries, distilleries, and breweries and the development of hemp and cannabis related businesses including growers, distributors, and merchants.

Statewide legalization of hemp in 2019 and of cannabis in 2021 has resulted in a growing industry that Santa Fe County is well positioned to capitalize on. It will be important for the County to identify ways to support reputable hemp- and cannabis-related businesses through investments in infrastructure and business support.

2b. Partner with and support local farms and ranches seeking to promote and develop agritourism-related activities and programs.

Santa Fe County is well positioned to partner with local farms and producers to attract visitors to local farms. Activities may include self-pick, educational or other activities, or tours of historic farms and onsite structures. These types of activities represent an opportunity to not only increase the number of visitor-related amenities but to also diversify the income stream of local agricultural-related businesses.

2. Arts, Culture and Creative Industries



Strategies supporting the Arts, Culture and Creative Industries should seek to nurture and preserve the region's historical culture and artistic activities, while accommodating new and emerging artistic and cultural activities. The County should ensure that these components of the Arts, Culture and Creative industry have a place and space to grow and expand by supporting these organizations and building infrastructure to enhance activities, programs and events.

1. Expand Arts, Culture and Creative Industries activities within the county.

The County's activities can capitalize on the new State of New Mexico's Creative Industries Division to support small businesses and start-up in creative industries in the county.

1a. Create an Arts and Culture Council

The creation of an Arts and Culture Council is a high priority of the Board of County Commissioners as articulated in the County's Strategic Plan Population Goals. The Economic Development Division should develop a plan to organize and fund a commission that would provide policy input to the Board of County Commissioners with respect to arts, arts programming and supporting creative industries.

1b. Work with community arts groups to develop programs and facilities to support new and expanding creative industries.

The Economic Development Division should help develop funding applications for the Creative Industries grant program.

2. Provide economic assistance to projects and other initiatives that expand the presence and draw of the arts and culture sector.

The County hosts robust advertising programming funded through Lodgers Tax Funds and frequently highlights the arts and culture assets the County has to offer. The County should continue these efforts and expand upon them where possible. Opportunities exist to add additional funds to existing efforts and create additional programs such as creating or supporting the development of an online portal that highlights and links to the work of local artisan and cultural workers or organizations and serves as a central resource and listings of festivals, events, and locally made products.

2a. Support the development of new and/or expanding attractions and events to the Santa Fe area.

The County has a variety of cultural and arts events that happen annually and produce significant economic impact for the region. The County will continue to assist by providing sponsorships, funding, and marketing to support the continuation and growth of these events. The County will also provide seed funding to assist with critical cost required for the development and establishment of new cultural and artist events located in the county.

2b. Support training and professional and business development programs for the arts, culture and creative industries workforce.

Santa Fe County is full of talented artists and cultural workers seeking to make a living from their products, services, and/or creations. Ensuring training and professional or business development opportunities are available to this demographic is essential for the long-term viability of the businesses

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and enterprises in this industry. The County will support the creation and/or continuation of training and professional or business development programs designed specifically for the arts, culture and creative industries.

2c. *Ensure Santa Fe County's arts and culture amenities are accessible to all Santa Fe County residents.*

The County will work to enhance residents' accessibility to, and patronage of, the county's art and cultural amenities. The County will support events and programs that make arts and cultural events more open to the general population, like supporting Art in Public Places programming or sponsoring free concerts, performances, parades, art walks, food events, or other activities. The County will also support efforts that support local businesses or organizations host local performance or visual artists at their business functions and other community events.

2d. *Support the creation of Arts and Cultural Districts and other special designations in Santa Fe County where feasible.*

The county has multiple small communities and villages that are marked by unique cultures, history, and arts. Several of these communities have developed strong business communities and wonderful tourism opportunities because of their uniqueness and, consequently, attract travelers far and wide to visit their community. The County will support community efforts to obtain Arts and Cultural District designation, the formation of Art Trails, or other designations that support economic development and highlighting of local art and culture businesses.

3. *Outdoor Recreation*



Ecotourism and outdoor recreation provide opportunities to expand and diversify tourism with a low impact on the natural environment. The state's new Outdoor Recreation Division in the Economic Department Development can provide funds and marketing expertise to support expansion of the county's biking, camping, hiking, skiing, equestrian, and fishing offerings, among other activities. Santa Fe County has the potential to become a more significant destination for outdoor activities and thus expand its appeal to a wide range of outdoor enthusiasts through a variety of strategies.

1. Market the wide range of outdoor recreation activities that Santa Fe County has to offer.

The County should leverage resources to market and advertise the existing array of recreation destinations and activities. The County should pursue funding to engage local residents, including youth, disabled people and retirees, and partner with nonprofits, governments, educational institutions and local businesses to advance the objectives in responsibly facilitating the use of the county's outdoor assets. Develop a campaign that both markets and provides education on the responsible use of outdoor spaces.

1a. Leverage existing assets to improve the county's hiking and biking trail system.

The analysis of recreation assets identified opportunities to improve the county's trail system by connecting City of Santa Fe facilities on the interior, and to surrounding state and federal recreation lands on the exterior. The County should work with city, state, and federal land management agencies to implement projects to connect these separate systems.

1b. Expand the network of mountain biking trails and amenities.

The county is currently a Silver Level Ride Center as certified by the International Mountain Biking Association (IMBA) because of a strong network of existing interconnected mountain biking trails. The County should continue to seek ways to expand and strengthen the existing trail network and identify additional partnership opportunities with national and international mountain biking organizations.

1c. Partner with other Northern New Mexico cities, counties, and pueblos to develop a regional approach to developing and marketing the area's outdoor recreation assets.

Many of the area's outdoor trails and bikeways and scenic byways are of regional significance and scale and transcend multiple jurisdictions. It is therefore in the best interest of all to combine resources to develop regional marketing and advertising programs and other initiatives.

1d. Improve available information about the connections between major trailheads and lodging, neighborhoods, and entertainment areas to enhance resident and visitor experiences and reduce automobile use.

Some of the best cycling and hiking or walking destinations allow visitors to easily access trailheads without loading bicycles and gear into a vehicle to drive to a trailhead. This makes visitors have a more local experience, in addition to reducing automobile use. Signage should be obvious and intuitive to allow visitors to access the trail network from numerous locations in the county.

2. Provide economic assistance to new or expanding companies specializing in outdoor recreation gear and apparel.

Santa Fe County should support the formation or attraction of outdoor recreation gear and apparel manufacturing and distribution businesses that includes specialty design and light manufacturing related to outdoor activities such as equipment for backpacking, rock climbing, biking, running, and other submarkets of this industry.

2a. Capitalize on the new State of New Mexico's Outdoor Recreation Division to support development or recruitment of outdoor recreation businesses in Santa Fe County.

The county has a growing base of outdoor related companies. The County should partner with the New Mexico Outdoor Recreation Division to identify additional partnership opportunities with outdoor recreation companies to provide financial tools and marketing and technical assistance to new and emerging outdoor industry companies and entrepreneurs.

2b. Support the development of events and conferences related to outdoor recreation and eco-tourism.

The County will work with the outdoors/recreational community to support the development of new and existing events to the Santa Fe region. Examples of the County assisting in promoting outdoor events include Santa Fe Century, Endurance Santa Fe, Gran Fondo New York-Santa Fe, mountain bike events, and tournaments.

4. Film and Digital Media



The State of New Mexico's western landscape and generous tax incentives have contributed to the growth and development of a national-scale film industry. Santa Fe County is a significant player in the state's film sector with three major studios and five western outdoor movie sets. The Santa Fe Film Office, funded by the City and County, is the primary point of contact between industry and government. As with Arts, Culture and Creative Industries, the Film and Digital Media sector is a strength of the existing economic base that should be supported as well as an opportunity for growth. Post-production services were identified as an opportunity for expansion in this sector.

1. Support the operation and preservation of the county's film studios and outdoor stage sets that will allow for ongoing success of the film industry.

Santa Fe County has quality film facilities and the state has a professional staff and effective incentive program for attracting film productions. These facilities have adequate capacity for hosting additional productions. However, the number of studios in the Albuquerque area have been growing and represent a greater level of competition. EDD should work with the county's studios to support any efforts for facility upgrades and for providing support services to film productions taking place locally.

1a. Support the development of post-production facilities for the film, video, and digital multimedia.

Although New Mexico and Santa Fe County have been successful attracting national film and television productions, the state lacks post-

production facilities, and therefore these activities largely take place out of state. There is a need for post film production space, trained workforce, and training programs. The County should continue to explore strategies to partner with stakeholders to improve programs and the resources available. In addition, there is a significant need for production offices and warehouses for both ongoing productions and post-production. The County should continue to explore strategies to partner with the studios and other industry specialists that are able and willing to provide space and expertise needed to build and operate these facilities. The County can utilize the provision of the LEDA grant program to encourage public/private partnerships for the development of larger facilities.

1b. Support the development of infrastructure and programs to assist productions in reducing carbon footprint and access to alternative energy resources.

As media production needs bring them further from populated areas, the need arises to provide electric vehicle and equipment recharging, waste disposal and a method for recycling set materials. The Economic Development Division should explore a site specific pilot program to demonstrate best practices in these areas.

5. Green Industries and Alternative Energy



The County Strategic Plan prioritizes sustainable economic development. There are multiple opportunities for the County to increase sustainability through investing in alternative energy sources, supporting green industries, and increasing recycling and conservation of resources.

1. The County will develop a comprehensive program to expand green building practices in the construction industry.

The County will develop programming and financial incentives to promote green building, including enhancing energy and water efficiency in commercial and residential buildings. Such programs may provide job training in conducting efficiency audits and complete upgrades in residential and commercial projects. This will move the County toward achieving its Race to Zero goal, provide local job opportunities, and offer utility savings for residents and small businesses.

1a. Support development of solar arrays in the county.

The County will need to prepare for new solar developments stemming from the passage of the ETA and Community Solar Act. The County should create land use regulations specifically for community solar installations. The County will benefit from creating a special tax category for solar and an efficient solar permitting process to attract investors and installers.

1b. Build partnerships and programming to increase access to green job training.

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Santa Fe County plans to pursue opportunities to collaborate with community organizations, employers, education institutions, and workforce training providers to identify opportunities to increase access to training. The County will support education programs through PROTEC and other programs.

1c. *Support grid modernization and transmission projects.*

The County will benefit from working with energy consultants to identify appropriate transmission line locations, particularly as these relate to commercial solar and wind generation. The County will also work collectively with the Public Regulation Commission to support grid and substation upgrades. The County should develop strategies to encourage energy utilities to expand renewable energy production and transition to smart grids.

2. The County will promote programs for energy conservation and recycling to conserve existing resources and reduce waste.

2a. *Increase electric vehicle (EV) charging in Santa Fe County.*

The County will seek grants as well as develop and market financial incentives to install EV charging in commercial, residential, and public areas. The County, where possible, will also assist in the development and planning of EV charging infrastructure.

2b. *Develop strategies to increase local recycling rates and support businesses in recycling markets.*

The County aims to support job opportunities in the recycling industry with a goal of increasing recycling rates to at least the national average of 34 percent by 2030. The County will 1) identify funding sources to support cleanup and recycling initiatives, such as the state Recycling and Illegal Dumping (RAID) grant; 2) review rate incentives; 3) evaluate additional recycling or beneficial reuse options for concrete, construction materials, and agricultural waste; and 4) enhance education efforts to reduce contamination of recyclables at transfer stations.

2c. *Support water sustainability and efficiency programming by identifying investments for agricultural production.*

Santa Fe County should prioritize the creation of programming that promotes water sustainability and efficiency for agricultural and value-added production. The County should support and serve as a resource for agricultural businesses to access existing grants, incentives, and programs (e.g., healthy soil program, soil and water conservation, Natural Resource Conservation Service) that aim to conserve natural resources and benefit the environment.

2d. Attract and support the development of businesses and models that can utilize recycled materials in their business operations and productions.

The Economic Development Division should explore options to encourage use of recycled materials by partnering with conservation groups and chambers of commerce to support recognition and awards for companies incorporating and expanding use of recycled materials and energy conservation.

6. Health and Wellness



The Santa Fe County population is older than the state average and is therefore expected to generate a continuing and growing demand for health care and related services, including medical providers, hospitals and clinics, and senior housing facilities. The sector is also defined to be broader and inclusive of alternative health and wellness practices and experiences for the body and mind and for which Santa Fe has developed a unique concentration of practitioners and facilities that draw visitors to the county.

1. Support educational institutions and programs that educate and train the health care workforce.

The state's medical center and UNM's School of Medicine are in Albuquerque. However, SFCC's nursing and med tech programs are large and growing and will need to continue to invest in teachers and programs in order to support the increased demand for trained health care workers. Alternative medicine schools like Southwest Acupuncture College are similarly growing and training medical professionals for the local and regional workforce.

1a. Leverage the EDA funded Workforce Integration Network

2. Collaborate with the alternative healing industry to promote and expand Santa Fe County as a health and wellness destination.

The County supports a marketing campaign that encourages visitors to come and businesses to invest and take advantage of the traditional and alternative healing cluster.

2a. Support the development of health and wellness-oriented businesses and centers.

As noted, there is already a concentration of spas, wellness centers, mental health retreats and resorts in the county; however, this is an industry with growth potential to attract new visitors and to entice existing visitors to stay longer or come more often.

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C. Funding and Financing

The funding and financing strategies are focused on increasing support for the economic development projects and priorities identified in the SFC-EDD including infrastructure projects in the Capital Improvement Plan and incentives to support high priority development and recruitment projects related to target industries and other economic development initiatives.

1. Seek additional federal and state funding for all targeted industry clusters and high priority infrastructure and economic development projects.

The EDD staff will work with the applicable County departments to apply for eligible grants and loans from federal, state and private sources.

1a. Seek state LEDA funds for eligible primary employer recruitment and expansion projects including major film studio and media production developments.

Maintaining state LEDA funding eligibility is an important purpose for the SFC-EDD. Film studios and post-production facilities are identified as significant target growth opportunities worthy of financial support.

1b. Explore the potential opportunities of developing a county media park.

1c. Seek infrastructure funding sources expanding broadband availability within the county.

This strategy is cross-referenced with the strategies for infrastructure investment in completing a high-speed broadband network. Because broadband is both a state and County priority, it can benefit from state and regional funding partnerships.

2. Create a dedicated funding source for business development projects and programs.

County staff identified a need for dedicated funding for business development projects and programs in order to be proactive and responsive to future development opportunities. Currently, requests for funding are considered on an ad hoc basis that results in a slow and uncertain review process and a lack of clarity on economic development priorities.

3. Utilize County LEDA funding to expand the economic base businesses located in or relocating to Santa Fe County.

Santa Fe County's LEDA funding can be utilized to support cluster and targeted industry company expansions that bring job creation, increase gross receipts

taxes and provide other public benefits. The County should partner with the state where appropriate to attract national businesses to locate in Santa Fe County.

3a. Continue to respond to Potential Recruitment Opportunities (PRO) provided by the NM Partnership.

3b. Participate in NM Partnership sponsored Site Selector Familiarization Tours and other recruitment activities.

7. Conclusions

This Economic Development Plan updates the policies, strategies, and actions identified in the 2014 plan, responding to changes in economic conditions over the last 10 years. It has been a decade of change that included the COVID-19 pandemic, and also a growing affordable housing crisis fed by escalating housing costs and a lack of affordable housing production. The Plan update responds to major technological changes over the decade including the growing importance of high-speed broadband to both employers and residents, as well as the rapidly accelerating growth of electric vehicle use and the need to build EV infrastructure to support its implementation. The new 2024 Economic Development Plan also takes a broader and more inclusive perspective that recognizes and incorporates the importance of public investments, quality of life improvements, and environmental sustainability as elements of a comprehensive economic development planning approach.

This plan also provides for a follow on Economic Development Action Plan with recommendations that identify and prioritize innovative projects, programs and concepts focused on significantly improving economic conditions in workforce development, infrastructure and cluster industry development within Santa Fe County.

As in the past, the key to success going forward will be for the County and its Economic Development Division to continue to work with key stakeholders, regional partners, and others to ensure that:

- Attention and resources are appropriate and adequate and not duplicative of other efforts;
- Strategic goals are aligned with the Board of County Commissioners' directions;
- Regional collaborations and partnerships are maintained and expanded;
- Existing relationships and programs are leveraged internally to achieve the maximum return on investment; and
- The traditions, culture, and diversity of Northern New Mexico are honored and expanded upon.

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