



# CONNECTING THE DOTS -NEWSLETTER-

January - March 2023



*The Connecting the Dots quarterly newsletters is a product of the Northwest New Mexico Council of Governments*

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# Director's Note

## Who's On First? How About Entrepreneurs.

In Economic Development, there have traditionally been three legs of the stool that professionals have focused on including: Business Retention & Expansion, Business Attraction, and Entrepreneurship. This article focuses some time on entrepreneurial development that typically represents the biggest driver of economic activity in the United States. According to a report issued by the Small Business Administration (SBA) in 2019, small businesses account for two-thirds of new jobs and deliver 44% of the United States' gross domestic product (GDP). Yet getting from entrepreneurship to a small business is a daunting journey for most, and sherpas are few and far between to guide those wanting to take the risk. I have myself had a hard time directing entrepreneurs to the right starting point or to an entrepreneurial support organization (ESO) that can put people on the path. The saying we hear often is: 'communities tend to roll out the red carpet for big business relocations and communities tend to roll out the red tape for entrepreneurs and small business.'

Everyone knows what happens to a stool that is missing a leg. I had a deep fear that after the pandemic that aging business owners would take stock and say "I'm just done" with no transition or succession plans – closing the doors to foundational small businesses in our communities and causing an even-faster downward trend of disinvestment. While our business community proved resilient, so do our entrepreneurs that pop up businesses throughout the community especially at area markets and signature events and even from their homes. The spirit of entrepreneurship seems to be very much alive and new resources seem pointed to our region, but it does not seem clear on how to build, sustain, and scale a responsive entrepreneurial ecosystem that reports metrics that matter and moves the needle on wealth creation.

A simple but not easy playbook might look like:

1. **Make the choice to adopt this strategy along with an attitude of abundance, focus on inclusion, and continuous innovation until effective approach,**

2. **Talk with entrepreneurs to pinpoint what they need and don't need in Entrepreneur-Led Economic Development,**
3. **Assess and map resources and service providers to build a network and determine gaps,**
4. **Build trust and a network that starts busting up silos and creates a paradigm for cooperation, collaboration, and joint resourcing, and**
5. **Identify simple but key metrics that can tell the story of success.**

Some concrete examples include holding regional pitch competitions with cash or technical assistance prizes and creating a "concierge desk" staffed by someone who knows what's available and can match entrepreneurs with the best resources. Some out-of-the box ideas might be in addition to rebate or stimulus checks, send one for households that start or formalize and incorporate a business; double it for those that sale outside the region and State.

Except for the New Mexico MainStreet Program, there has not been many tools that fit and work for rural and tribal communities. But in recent years, New Mexico has made a concerted effort to create asset-based economic drivers and incentivize film, outdoor recreation, creative industries, food systems, and tourism as diversification strategies that can work as part of a rural renaissance focus and a wave that the region can ride or even lead. I applaud the tremendous efforts and strides we have taken in traditional economic development and developing career pathways for key target sectors, but equally important attention needs to be paid to developing entrepreneurial pathways, asset-building programs, and wealth creation.



Evan Williams, CECD  
Executive Director

# Water & Environment Planning Office

## Water & Environment Office (WEO)

COG is currently moving forward and gaining traction with establishing its first office that is primarily focused on water and environment priorities for our region, with Angelina Grey, Planner, heading this program. The goal of this program is to take our efforts and attention on small water systems and brownfields and enhance regional initiatives that can be catalytic to creating major milestones in historic partnerships and support networks that puts our region on the map, literally. Ms. Grey has been working on developing this program to be succinct and aligned with the structure and framework of the RTPO program.

## Water Trust Board

COG assisted members with several applications, including the City of Gallup (Water Well), Catalpa Water Association (Design), Ramah Water and Sanitation District (Design), and White Cliffs Mutual Domestic Water Users Association (Water Improvement). As of end of March, House Bill 525 – Water Trust Fund for Water Projects was signed by the Governor. The Water Trust Board is currently working on finalizing project selection and identifying available funding. Selected applicants will be notified after the May 3rd board meeting.

## Northwest New Mexico Water Utility

The NWNMUA board members are still working with Dominique Cartron and the Rural Community Assistance Corporation (RCAC) in finalizing organizational startup. The next board meeting is scheduled for May 2023.

## Regional Water Commons Meeting

The last RWC meeting was held on March 15, 2023. Ms. Grey is currently working on updating the COG water web pages and will soon have a copy of the agenda packet posted, along with other regional water updates.

## COG/RCAC Partnership

This is year two of the COG & RCAC partnership that was made possible through an EPA Water Infrastructure Improvements for the Nation (WIIN) grant that was secured by the NM Environment Department. COG and RCAC will continue providing technical assistance and support through outreach activities with small water systems. The goal is to incorporate this support network through our entire region whether it be through direct services or with contractual services with the NWNMUA.

## Funding for Water & Wastewater

All the federal funding that is allocated under the Bipartisan Infrastructure Law (BIL) is being funneled through state agencies and departments. For NM, the funding is directed to NMED's Drinking Water State Revolving Fund and the Clean Water State Revolving Fund. Both programs are currently accepting both pre-applications and applications on a quarterly basis.

- Competitive, based on MHI
- Initially offered as loans with 0.01% interest rates (of total project cost), with some potential availability of grants
- For CWSRF, 100% grants are awarded to severely low-income communities\* (must qualify through census data calculations for medium household income, unemployment rate, and poverty rate (all must be higher than the national data)
- List of required organizational and financial documentation

### Project Review Schedule Dates:

1. Quarter 1 (Jan/Feb/March) — Due by March 31
2. Quarter 2 (Apr/May/June) — Due by June 30
3. Quarter 3 (Jul/Aug/Sep) — Due by September 30
4. Quarter 4 (Oct/Nov/Dec) — Due by December 31

# Special Projects Office and CDBG Update

## Special Projects Office

COG has restructured their office and one of the utmost importance is the Special Projects Office (SPO). The SPO serves the Northwest New Mexico region consisting of San Juan, McKinley, and Cibola counties including all municipal, rural, and tribal communities. This newly established Office will provide specialized skills and services that are not available or achievable in most communities in our region. This Office promotes data driven innovation and to develop programs that empower by sharing, communicating, and transferring knowledge to communities and the region.

The SPO would be a knowledge driver and center for the region and its communities. To that end, we envision promoting practices that advance adaptive management, improve communities, and reduce the efforts of filtering through informational material.

The SPO manager is tasked with the diversity of special projects that would entail data needs, storage, and utilizing multimedia sources. Currently the SPO is in the process of creating dashboards, interactive mapping, and updating US Census Designated Places. In addition, provide mapping services and multimedia services such as plotting maps, GPS surveying, film production, and varied formats. The SPO has an odd flowing range of tasks such as providing expertise towards:

- US Census Participant Statistical Area Program
- Trail Design/Construction and Conservation
- NM Community Data Collaborative – Center for Health Innovation
- Trail of the Ancients Scenic Byway Corridor
- Environmental Systems Research Institute (ESRI) Geographic Information System (GIS) technology applications
- Multimedia support
- Other unique projects that come to the COG

The SPO is knowledge based and in time will have functioning capacities in interactive web use, data analysis, infographics, mapping, and other multitudes of information to share with the region.

## Community Development Block Grant (CDBG)

### McKinley County

COG assisted the county in administrating and facilitating two separate CDBG programs:

- a. CDBG Construction Grant - The pre-selection Process is a requirement for local governments to complete almost on an annual basis, regardless of whether applying to any of the CDBG funding programs. This process was completed, and a full summary was provided to the county and commissioners for review and selection is scheduled to occur in April. The COG will continue to assist McKinley County through the application cycle and will support the development of a high quality, competitive application.
- b. CDBG Planning Grant - The county's planning grant project is focused on developing a preliminary engineering report for the Allison community water delivery system project. The Allison community is an unincorporated community located on the northwest boundary of the City of Gallup. The community is experiencing water supply and quality issues and is looking for solutions to mitigate this issue. The preliminary engineering report will examine multiple solutions to meet the needs of the community. This project is currently in the Notice of Award phase of the grant agreement process.

### City of Gallup

The city is moving forward with its own CDBG construction grant project located on West Logan Avenue between 7th and 9th streets. The City of Gallup has held pre-construction conference meetings and is scheduled to begin construction on May 1, 2023. The City and contractors anticipate construction to be completed in September 2023.

# Legislative Recap

Once again, much of the staff's time during the previous quarter was dedicated to providing legislative technical assistance, guidance, and support to members and other entities during the 60-day session. A unique service provided by the COG, allows members to get the most out of the legislative process and allows other entities to participate in this critical function of state government. This COG assists in coordinating and facilitating legislative forums, prepping and submitting capital outlay and junior funding requests, coordinates reauthorization submissions, and tracks policy recommendation proposed during the session. This year the COG deployed two staff persons to Santa Fe to participate and provide on-site support to members. Both Executive Director Evan Williams and Planner Angelina Grey engaged in numerous legislative activities from attending committees, producing informational material, ensure and review capital outlay submissions, and facilitated discussions between governments and legislators and governments and the Governor.



## Money Bills:

Every year, the COG pays special attention to priority funding bills or as we like to call them, the "Money Bills". This year those bills are:

- House Bill 2 – General Appropriations Act: This bill provides the framework for the State's budget which includes funding for staple programs and special 1-time appropriations for specific purposes and/or projects. Close examination reveals some exciting opportunities for members to compete for funding along with dedicated funding for a select few. The 2023 legislature proposed a budget of over \$9 billion.
- House Bill 505 – Capital Outlay: Every year the state provides recognized

subdivisions of the state with the opportunity to secure funding to aid the implementation of projects through the capital outlay process. This year's source of capital outlay funding was provided by the General Fund and provided approximately \$1.2 billion of investment into the growth of New Mexico. \$45M of which is coming directly into the Northwest region of New Mexico.

- Senate Bill 192 – Junior Bill: Another opportunity for funding that has been provided to subdivisions of the state is the Junior fund process. Typically reserved for programming and support for existing services, this bill has grown to become a more flexible option for small funding needs. This year, approximately \$100 million was appropriated in SB192 with roughly \$3.3 million coming to the Northwest region of New Mexico.
- Senate Bill 392 – Reauthorization Bill: For those capital appropriations that experience difficulties, SB392 provides options for extension of time, change of agency, and change of purpose. This annual bill has been critical for Northwest New Mexico as many of the governments and tribal entities have been impacted by inflated costs of materials, delay times for equipment, and other impacts caused by the pandemic. This year, roughly 70 capital appropriations from Northwest New Mexico were approved with most of them requesting extensions to spend funds.

## COG Legislative Assistance Provided:

- 3 Legislative Forums coordinated and facilitated.
- 123 Capital Outlay requests prepped and submitted.
  - » 43 - Member Government requests
  - » 9 - Special District
  - » 71 - Navajo Chapter request
- 10 Junior Bill request letters drafted.
- 20+ reauthorization request prepped and submitted.
- 3-weeks of on-site support in Santa Fe
- 750+ hours dedicated to legislative support

# NWRTPO Update

## New 2024-2025 RTIPR - Call for Projects

RTPO members are submitting Project Feasibility Forms – PFF’s against an April 14 deadline. These include PFF’s for yet to be funded projects to be carried forward from our previous RTIPR, as well as PFF’s for new proposed projects.

Upon reception of these PFF’s staff will review, then forward these to NMDOT District 5 and 6 for their review as well in advance of a May 2 – 4pm mandatory PFF review meeting at DOT District 6. Staff are encouraging members to attend this meeting in person, but DOT District 6 is also offering an on-line virtual option; DOT District 5 will participate in this meeting as well for any proposed northern Navajo Projects in San Juan County. For any PFF’s not approved to move forward, DOT District staff and COG RTPO staff will discuss options, to either edit the PFF, or pursue funding via Local Govt. Road Fund or NMDOT Transportation Project Fund.

Thereafter, RTPO members will commence drafting Project Prospectus Forms (PPF’s) that will be due by August 31. The only exception is the Transportation Project Fund application deadline for 2024 projects – which is May 31 via full application submission to the NMDOT FTP website. Any projects to be prioritized within any section of the RTIPR – typically just Roadway and Transportation Project Fund, will take place at our November 8, 2023 meeting.

Thereafter, RTPO staff will draft the RTIPR in November and December, and present the final RTIPR to be approved by the NWRTPO members in our January or February, 2024 meeting. After this, in March, 2024 we conduct our DOT District 5 and 6 Zipper meetings – including projects from Catron and Sandoval Counties for DOT Dist. 6. There after the DOT Districts decide which projects they wish to promote and move forward into their STIP for FY2024 forward.

## Recent and Current Funding:

Recently funded projects for our region include State Planning & Research funds, where we’ve been awarded \$250,000 for a McKinley County Transportation Master Plan; and \$150,000 for a Grants / Milan Comprehensive Transportation Safety Action Plan. Also for the 2023 NMDOT Transportation Project Fund, seven (7) of our member governments were awarded a combined total of \$15,605,334 for local transportation projects, along with four (4) governments from the Farmington MPO awarded a combined total of \$4,142,000 for their local projects.

Current funding being pursued includes the DOT Carbon Reduction Program with the following two projects for McKinley County:

- Autonomous Commercial Truck Mobility Complex - \$2,087,777
- Commercial Truck Testing Corridor Fueling Complex - \$2,087,777

Additional funding being pursued includes the Municipal Arterial Program (MAP) for City of Grants – requesting a total of \$606,960.00 with \$455,220 from MAP funds and \$151,740 from the City for the 25% local match.

**I-40 Planning Grants:** The NWRTPO Submitted nine (10) I-40 Planning Projects, supported by DOT District 6 seeking funding for future development including:

- McKinley: Autonomous Commercial & Mobility Complex
- McKinley: Commercial Truck Testing Technology Corridor
- McKinley: I40 Prewitt Industrial Park Connectivity and Rail Crossing
- McKinley: I40\_NM371\_NM612 Interchange
- McKinley: Williams Acres I-40 Noise Barrier
- McKinley: Supply Chain Accelerator
- Gallup: I40\_NM118 East and West Interchanges
- Gallup: TradePort
- Milan: I40\_NM568\_Sawmill Road Interchanges
- Milan: I40\_Horizon Blvd. Interchange

# Economic Development & RLF



## Four Corners Rapid Response Team

The COG engaged Los Alamos National Lab as part of the Four Corners Rapid Response Team. Engagement is hoped to bring forth additional resources to the region. The Rapid Response Team is a federal effort aimed at providing technical assistance to the northwest New Mexico region to expand regional capacity to undertake economic transformation and diversification in light of recent coal-fired power plant and associated coal mines.

## Ft. Wingate Feasibility Study

COG is managing Native Associates who are tasked with development of an Economic Feasibility Study for a parcel located on lands formerly under the control of Ft. Wingate. The Feasibility Study will help determine options for development and provide associated infrastructure cost. Coordination with the Eastern Regional Business Development Office for the Navajo Nation is occurring as part of the project.

## EDA-AURO Director visits New Mexico

Jorge Ayala, Director of EDA - Austin Regional Office which oversees the State of New Mexico, made a visit to New Mexico to meet with the NewMARC organization; the New Mexico Association of Regional Councils, to which the Northwest New Mexico Council of Governments is a member.

The COG has invested considerable time and resources to cultivate a relationship with EDA-AURO which has produced significant investment into the region. It is hoped the partnership with EDA-AURO and Mr. Ayala can be leveraged for large transformative regional initiatives.

## Revolving Loan Fund

During the first quarter of CY23, the COG continued efforts to promote and market the RLF. Outreach with business, media, and business support organizations were intended to increase the applicant pipeline.

The COG conducted on the ground outreach consisting of engaging business owners, person-to-person, to cultivate interest in the program. The effort allows for the RLF to understand the needs of the business and overtime, the needs of the region. On the ground outreach has been conducted in :

- Aztec
- Farmington
- Gallup

To expand interest with businesses in the region, the COG conducted outreach with newsprint media including:

- Cibola Citizen
- Durango Herald
- Farmington Daily Times
- Gallup Independent

Farmington Daily Times and the Durango Herald ran news articles on the RLF, which helped to generate immediate interest and inquiries. The Farmington Daily Times article is used as part of the local marketing packet. Efforts continue with the Cibola Citizen in Grants and the Independent in Gallup.

Additional outreach was conducted with business support organizations including:

- Dineh Chamber of Commerce
- NMSU Arrowhead Center

Jim Cox, RLF Chairman and Sheldon Bartel, National Development Council (NDC), participate in bi-weekly calls with the COG to provide technical assistance.

# Revitalizing Downtown Gallup

## Downtown Gallup

The COG continues to be an advocate in Downtown Gallup redevelopment and revitalization. COG has recently engaged in numerous downtown activities that highlight our work to help create a vibrant and energized downtown district. First, COG continues its role as ex-officio on the Gallup Mainstreet Board. COG provides technical assistance support to the Mainstreet Director and has helped develop applications for funding, developed implementation strategies, and have participated in visioning and planning workshops.

Coal Avenue Commons - The COG has assisted with securing funding from the New Mexico Department of Transportation for the construction of Coal Avenue Commons Phase 2. This multimillion-dollar project was officially open for public use as an event street on Saturday April 8, 2023, as part of the first Art Crawl event of the season.

Courthouse Square - The COG has engaged in visioning and planning workshops with the Mainstreet Board members to identify improvements to courthouse square. It has long been noted that courthouse square, which is home to numerous events has flaws that make use of the space difficult for event promoters and uncomfortable for participants of events. Through New Mexico Mainstreet, Gallup Mainstreet has been granted technical assistance support to bring in a team of consultants to revisit courthouse square and identify solutions to improve the event space and reenergize the downtown community.

Downtown Coordinating Committee - Lastly, the COG has engaged in downtown planning through the Downtown Coordinating committee (DCC). The is a collective of downtown organizations who have been tasked with the responsibility of implementing the Downtown Metropolitan Redevelopment Area Plan. The DCC has reconvened after a temporary hiatus and looks to get to work to improve downtown through implementation of the downtown vision.





# **Northwest New Mexico Council of Governments**

*“moving the region forward”*