



Spring 2022

**CONNECTING**  
**The**  
**DOTS**







## Table of Contents

Notes - Executive Director	page 3
Revolving Loan Fund	page 4
International Center of Rural Innovation	page 5
Zuni Mountain Trails and Conservation	page 6
Transportation	page 7 - 8
Water and Environmental Office	page 9



***Connecting the Dots Quarterly Newsletter is a product of the Northwest New Mexico Council of Governments***



## **Notes**

**Evan Williams**  
*Executive Director*

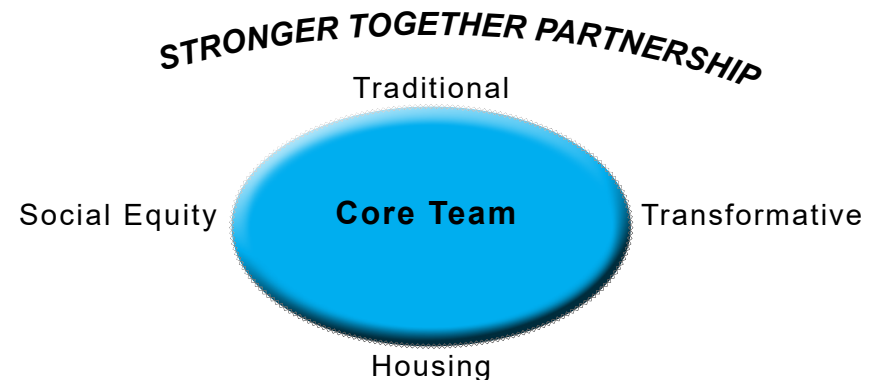
In this edition, you will read more about how the world is coming to our region to learn about innovation, resiliency, and transition. The COG has worked closely with local and tribal economic development organizations to focus on building from our assets and depending on our brilliant innovators to create opportunities where people are rooted, wealth that sticks, and moving our economy from boom-bust to robust.

In a period of unprecedented funding, we believe we need to crank it up to 11 and that the next 50 days can change our region for the next 50 years. Here are some ideas and recommendations on how we shoot for the moon and make sure we at least become stars.

- **BIGGER IS BETTER:** Multi-State Partnerships: almost weekly we read headlines that three States or more have joined together in partnership for some big initiative to gain Federal attention and resources. On February 23, 2022, Governor Michelle Lujan Grisham signed an memorandum of understanding with Colorado, Utah, and Wyoming to develop a regional clean hydrogen hub. The COG needs to bring together its region and double down on its work for the Build Back Better Regional Challenge to unite the Four Corners communities including tribal, public and private leaders
- **LESS IS MORE:** Triaging Opportunities: every day there is an avalanche of new opportunities to the point that it is crushing our ability to think, act, and stay focused. While we believe communities should absolutely take big shoots down the field on game-changing projects and once-in-a-generation investments, we are also do not want to lose sight of bread-and-butter programs like Transportation Project Fund and Capital Outlay. The COG stands ready to workshop communities and regions to prioritize projects and match them to funding strategies including that involves:
  - o Initial project prioritization to define traditional, transformative, and other investments needed.
  - o Matching projects to grant opportunities to develop comprehensive funding strategies. The question is no longer is there money for this, it's how to arrange a portfolio of investments based on sophisticated capital stacks, leveraging local and State dollars, and understanding the game within the game.
  - o Developing one-pagers and mapping investments.
  - o Built in partnerships and letters of support.

- o Setting up teams to focus on getting the job accomplished through unique partnerships including consultants, technical experts, public champions, and private experts.
- o Communication and Coordination including real-time flexibility and adaptability.

- **SUCCESS BREEDS SUCCESS:** Building Winning Teams: We often joke that getting the money is the easiest part; it's the implementation, management, reporting, and bureaucracy side use you get the money awarded that is the hard part. The COG is recommending building non-traditional teams that can work with focus and integrate into the larger vision. This image showcases a broad community partnership "Stronger Together Partnership" with four teams on traditional infrastructure, transformative projects, housing, and social equity (DEI).





## Revolving Loan Fund

NWNMCOG staff continued efforts to administer the Revolving Loan Fund as follows:

### Website

NWNMCOG staff established an internet presence for the RLF program with the creation of a webpage on the NWNMCOG website. The webpage includes a program overview highlighting allowable use of funds, terms of the program, and appropriate contact information. Included on the webpage is the RLF application and marketing brochure.

### Peer Review

NWNMCOG staff conducted a RLF program peer review with the North Central New Mexico Economic Development District - RLF Program. The opportunity to engage NCNMEDD allows for the sharing of best practices with respect to program implementation and administration. NWNMCOG staff interacted with program managers both administrative and finance on a few issues including business outreach, program loan structure, loan portfolio and management, and loan reporting and tracking.

### RLF Loan Committee:

NWNMCOG staff completed a RLF Loan Committee orientation in January 2022.

### Presentations

To date, NWNMCOG staff has presented the RLF program to the following entities and organizations:

#### McKinley County• Gallup BID

- Gallup Independent
- Gallup SBDC
- Gallup Sun
- Pinnacle Bank

#### Cibola County• Cibola Communities Economic Development Foundation

- Grants SBDC
- TBK Bank



#### San Juan County

- Aztec EDAB
- Community Bank of Farmington
- Farmington SBDC
- Four Corners Community Bank

#### State:

- NM Economic Development Department

#### Upcoming:

- Gallup Chamber of Commerce
- Grants Chamber of Commerce
- Farmington Chamber of Commerce
- Four Corners Economic Development
- Greater Gallup Economic Development Corporation



The Northwest New Mexico Council of Governments offers a new financing opportunity through a grant from the U.S. Economic Development Administration (EDA). This revolving loan fund (RLF) will provide low-interest financing options to existing business owners operating in the counties of Cibola, McKinley and San Juan in northwest New Mexico for the following purposes:

- Working Capital (7-10 years)
- Machinery & Equipment (7-10 years)
- Real Estate - New & Improvements (25 years)
- Leaseholder Improvements (life of the lease but not to exceed 10 years)
- Debt Refinance (term commensurate with use of proceeds from loan to be refinanced)

#### Details

- Amount: Loans range from \$20,000 - \$100,000
- Interest Rate: Fixed rate calculated at Wall Street Journal (WSJ) Prime plus 2% at time of closing
- Fees:
- Application Fee: \$250 (refunded if loan is not approved or added to closing costs if approved)
- Origination Fee: 1% of loan amount
- Closing Costs: All third-part closing costs can be included in the loan
- Equity: The borrower's equity injection should be at least 10% of the request loan amount (excludes Working Capital)
- Collateral: Loans will be secured by collateral (business and personal) to the maximum extent to ensure adequate repayment

#### Eligibility

- Business must be located in Cibola County, McKinley County, or San Juan County
- Business must be in operation for a minimum of two (2) years

#### To Apply

Contact Michael Sage at 505-722-4327 to schedule an appointment. You should be prepared to share financial statements from the past 2 or 3 years during this interview.



## International Center of Rural Innovation

Gallup is one of most creative, innovative, and interesting places in the whole wide world. And now that secret is out!

Gallup was one of three places in the United States selected by the Organization for Economic Co-operation and Development (OECD) along with Pine Bluff, Arkansas and Columbi-ana, Ohio to do a deep dive on rural innova-tion and research what is driving innovation in these communities.

The OECD project on Enhancing Rural Inno-vation includes the involvement of regional and rural agencies in 5 OECD partner countries, including Canada, Japan, Scotland (UK), Swit-zerland and the United States.

The local team was joined by Trisha Korbas (EDA) and Patricia Dominguez (USDA) and included:

- Jeff Kiely, Special Liaison to the Mayor of the City of Gallup
- Michael Sage, Deputy Director, Greater Gallup Economic Development Corporation
- Jon “JM” DeYoung, Assistant City Manager, City of Gallup

## How innovation is different in rural areas

*In rural regions, innovation is second-nature. While formal science-based innovation systems are typically found in larger cities with universities and large enough firms to have a formal R&D function, individuals and communities in rural regions tend to innovate to increase resilience and overcome barriers to access to services. Entrepreneurs and individuals in rural regions promote business and community activities despite systematic limitations to access to government services. Science-based activities can also be highly successful and have application in rural areas – for example, forest-based bio-energy or circular-economy innovations.*

*Innovation diffusion is important for rural areas and allow firms to remain competitive in external markets. Absorbing innovations requires access to networks of people and firms, which is depending on digital and physical infrastructure. In rural regions, innovation adoption happens despite demographic change, low levels of access to digital infrastructure and harsher physical infrastructure conditions.*

*People are the drivers of innovation in rural regions. Individuals, entrepreneurs, and in many cases, young start-up en- trepreneurs bring new ideas and ways of working to rural regions. The offer of education and training is therefore critical to their success.*

## Innovation in rural regions

*Innovation is central to the challenges facing rural regions. However, the drivers for inventors and public policies to lead innovation in a rural context are not well understood. Innovation is both the creation of new products and processes but is im- portantly also the adoption of pre-existing innovations into new markets and firms. For this study, we consider entrepreneurs and start-ups as a driving partner for rural innovation, and where relevant the role of research institutions.*





## Zuni Mountain Trails & Conservation



The 2022 amended Zuni Mountain Trails and Conservation Master Plan (ZMTCMP) is nearing the draft completion for further review processes. Nearing 200 pages of an; Introduction, Existing Conditions, Community Engagement, Recommendations, Implementation, Project Costs, Funding sources, and more. In addition to these great perennial Zuni Mountain range, much work has been done since the original 2014 ZMTCMP in revising the **concept** of trails and conservation - to the **fruition** of current trails and conservation. After review by the public, organizations, and ZMTP partners; amendments will be made for the Final 2022 ZMTCMP.



**McKinley County:** The McGaffey and Milk Ranch trail systems are complete. These trail systems have new trail signs, bike cattle-guards, equestrian gates, and Milk Ranch trailhead is near completion with signage and kiosk. Hilso trail system was updated with USFS signs and correct gps for mapping. These trail systems combined are approximately 60 miles.

**Cibola County:** The Quartz Hill trail system had some initial construction last summer and remains to be constructed to USFS specifications. Further assessments of the project are underway. When this trail system is complete it would be approximately 30 miles.

McKenzie Ridge Trail Connector and a portion of Twin Springs Trail will begin construction, design, and specifications for this project that are within McKinley County. McKenzie Ridge Trail is approximately 22 miles. Twin Springs Trail (McKinley) could have a varying 7 miles, depending on sustainable reroutes and approvals.



## Transportation Funding Opportunities

This month has been rip with opportunities for transportation funding that was provided under the Bipartisan Infrastructure Law (BIL). Here is a quick snapshot of due dates and our first triage – please contact Bob Kuipers for more information and direct support. [rkuipers@nwnmcog.org](mailto:rkuipers@nwnmcog.org).

### USDOT's Five Northstars Guiding BIL Implementation

- ★ Safety
- ★ Climate
- ★ Equity
- ★ Economic Strength
- ★ Transformation

### MEGA / INFRA / **RURAL - DUE MAY 23, 2022**

- Combined MEGA/INFRA/Rural NOFO: \$1 billion; \$1.55 billion; \$300 million;
- New: MEGA Projects Program - \$5 billion
- INFRA - \$8 billion
- NEW: Rural Surface Transportation Grant Program - \$2 billion for any community under 200k



### Safe Streets for All Program

- \$6 billion in Direct Local Funding – 2nd Quarter 2022
- Funding supports regional, local, and Tribal initiatives through grants to prevent roadway deaths and serious injuries.
- Eligible activities:
  - Develop or update a Comprehensive Safety Action Plan.
  - Conduct planning, design, and development activities in support of an Action Plan.
  - Carry out projects and strategies identified in an Action Plan.

## Bridge Funding

- \$40 billion – Highest Investment since the 1956
- New Mexico: \$225 million over 5 years (\$45 million annually)
- New: 15% set aside for locally owned bridges & 100% federal match
- New: Bridge Investment Grant Program – \$12.5 billion – 2nd Quarter 2022

Month	NOFO	Operating Administration/Office
May	<a href="#">Transit-Oriented Development Pilot Program</a>	Federal Transit Administration
May	<a href="#">University Transportation Centers Program</a>	Office of the Secretary
May	<a href="#">Natural Gas Distribution Infrastructure Safety and Modernization Program</a>	Pipeline and Hazardous Materials Safety Administration
May	<a href="#">Safe Streets and Roads for All Grant Program</a>	Office of the Secretary
May	<a href="#">Nationally Significant Federal Lands and Tribal Project Program</a>	Federal Highway Administration
May	<a href="#">Bridge Investment Program</a>	Federal Highway Administration
June	<a href="#">Railroad Crossing Elimination Program</a>	Federal Railroad Administration
June	<a href="#">Ferry Programs: Electric or Low Emitting Ferry Program; Ferry Service for Rural Communities Program; Passenger Ferry Grant Program</a>	Federal Transit Administration
June	<a href="#">Reconnecting Communities Pilot Program</a>	Office of the Secretary
July	<a href="#">All Stations Accessibility Program</a>	Federal Transit Administration
July	<a href="#">Rail Vehicle Replacement Program</a>	Federal Transit Administration
Summer	<a href="#">National Culvert Removal, Replacement, and Restoration Grant Program</a>	Federal Highway Administration
August	<a href="#">Consolidated Rail Infrastructure &amp; Safety Improvements Grant Program</a>	Federal Railroad Administration
September	<a href="#">Strengthening Mobility and Revolutionizing Transportation (SMART) Grant Program</a>	Office of the Secretary

A recording of an important webinar can be accessed [HERE](#). Additionally, you can access Senator Heinrich's full guidebook on the Bipartisan Infrastructure Law (BIL) [HERE](#).



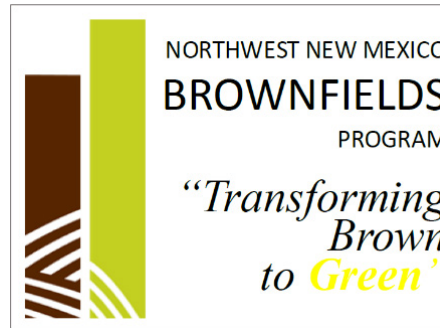
## Water & Environmental Office

The COG formally created the Water and Environmental Office to oversee and administer the: (a) programming side of McKinley County's Water Regionalization Initiative, and (b) Brownfields and Energy Efficiency and Conservation programs for our region.

The Brownfields Assessment Coalition webpage provides resources and support for local governments in identifying potential brownfield sites and available funding programs to remediate contaminated properties for re-use, re-development, or expansion.

For more information, go to <http://www.nwnmcog.org/nwnm-brown-fields-assessment-coalition.html>

The programming segment of the McKinley County Water Regionalization Initiative (WRI) is currently in progress. COG recently partnered with the Rural Community Assistance Corporation (RCAC) to lead and organize the community outreach and engagement process with small water systems, or special districts. The concept is to assist our regional special districts with their organizational, managerial and technical needs. A work plan is currently being drafted to outline objectives and goals.



The legal segment of the WRI is being conducted by Cartron Law & Associates to research and develop a Joint Powers Agreement (JPA). To date, there are three (3) special district entities that are committed to creating an *umbrella* organization of water systems, including White Cliffs Mutual Domestic Water Users Association, Gamerco Water and Sanitation District and Yahtahey Water and Sanitation District. This JPA will be structured to create a much-needed foundation of support and assistance, not only for the joining entities but for all other small water systems that have yet to decide. The WRI has been decades in the making and is finally coming to fruition for our region. The next JPA meeting is scheduled for Wednesday, April 26, 2022 at the McKinley County Conference

Center. For more information on the water programming, please visit <http://www.nwnmcog.org/water.html>

Any questions about this or the brownfields program, please contact Angelina Grey at [agrey@nwnmcog.org](mailto:agrey@nwnmcog.org) or call (505) 722-4387.







**Northwest New Mexico Council of Governments 106 W. Aztec Ave. Gallup, NM 87301 505-722-4327**