

Economic Opportunity of the New Mexico Borderplex

Trade, industrial growth, competitiveness, and a modernized approach to business incentives

Presented to the Economic & Rural Development & Policy Committee

Three themes shaping the Borderplex opportunity — and the policy response

The presentation moves from market evidence to a practical policy response.

01

Trade and industrial growth

Juárez export activity is driving freight, industrial demand, and competition for sites across the Borderplex.

02

Economic development project needs

Projects arrive with infrastructure asks that public-private partnerships and working models can meet.

03

Workforce readiness

Industry-aligned credentials determine whether growth translates into durable local gains.

Trade and industrial growth

Cross-border trade is accelerating, and industrial development is racing to keep up with it.

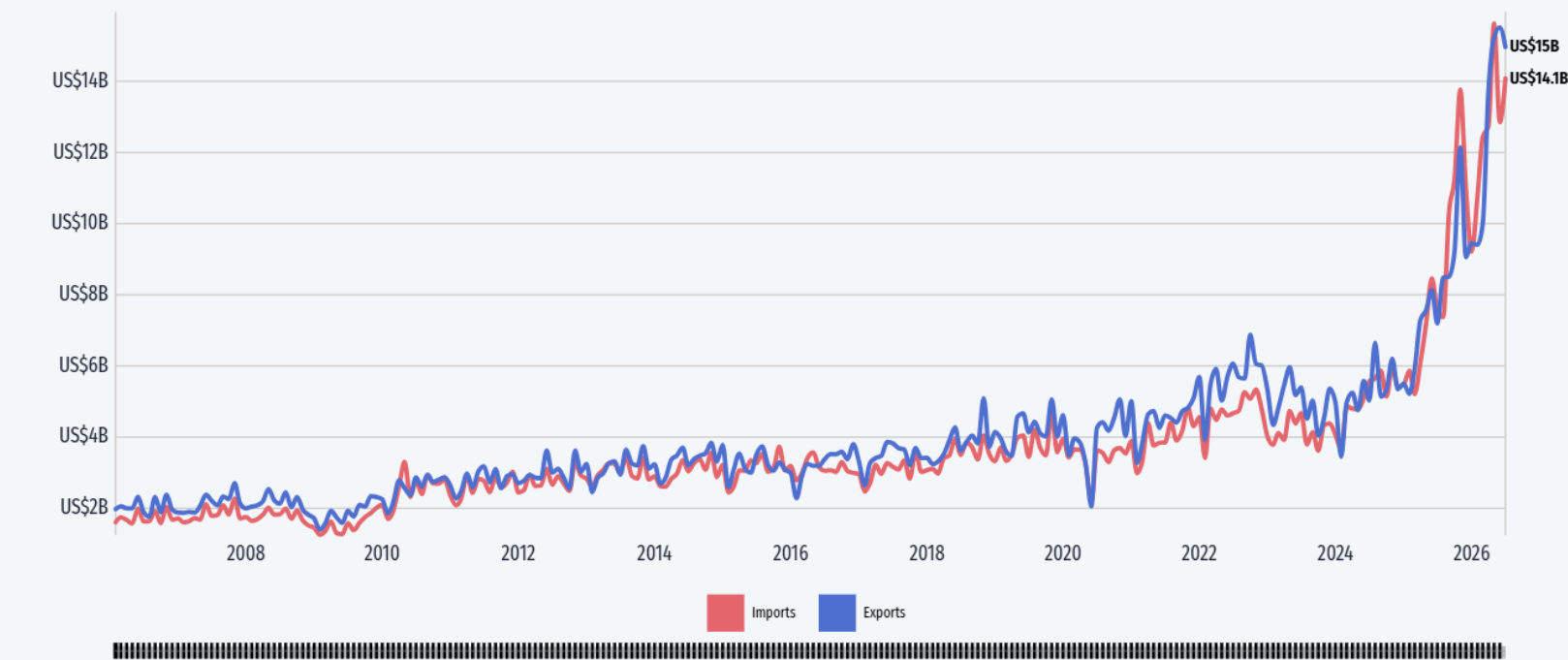
Trade growth → freight movement → industrial demand → competition for sites



Ciudad Juárez exports have accelerated sharply

The source presentation highlights both long-term trade growth and a pronounced recent step-up.

Net International Trade in Juárez



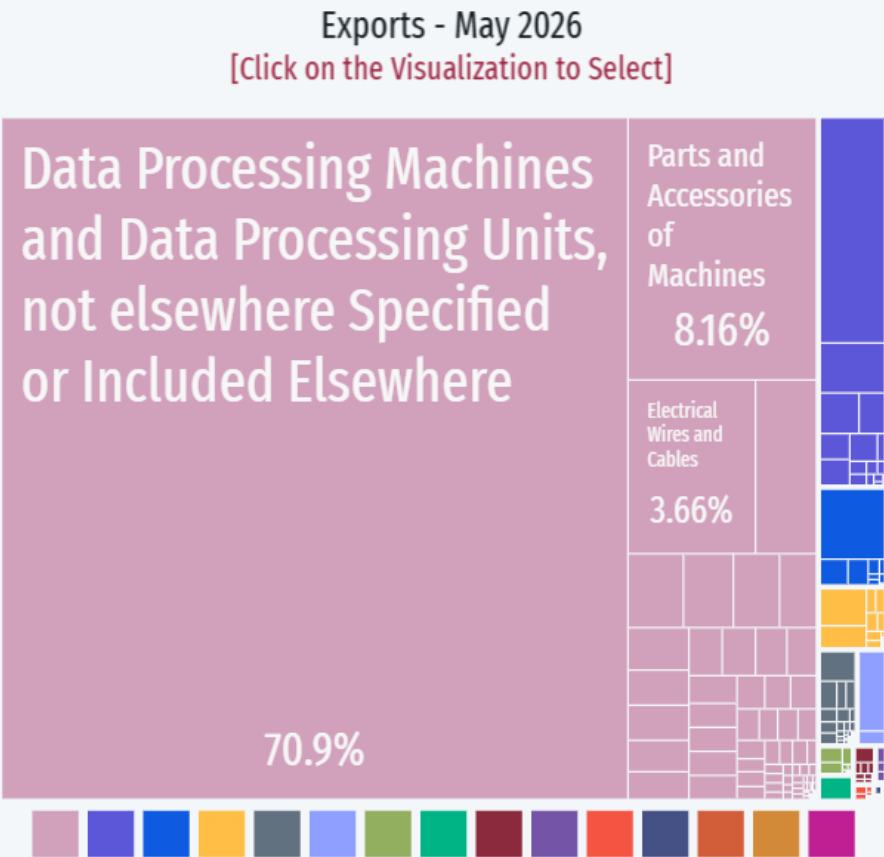
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What the trend means

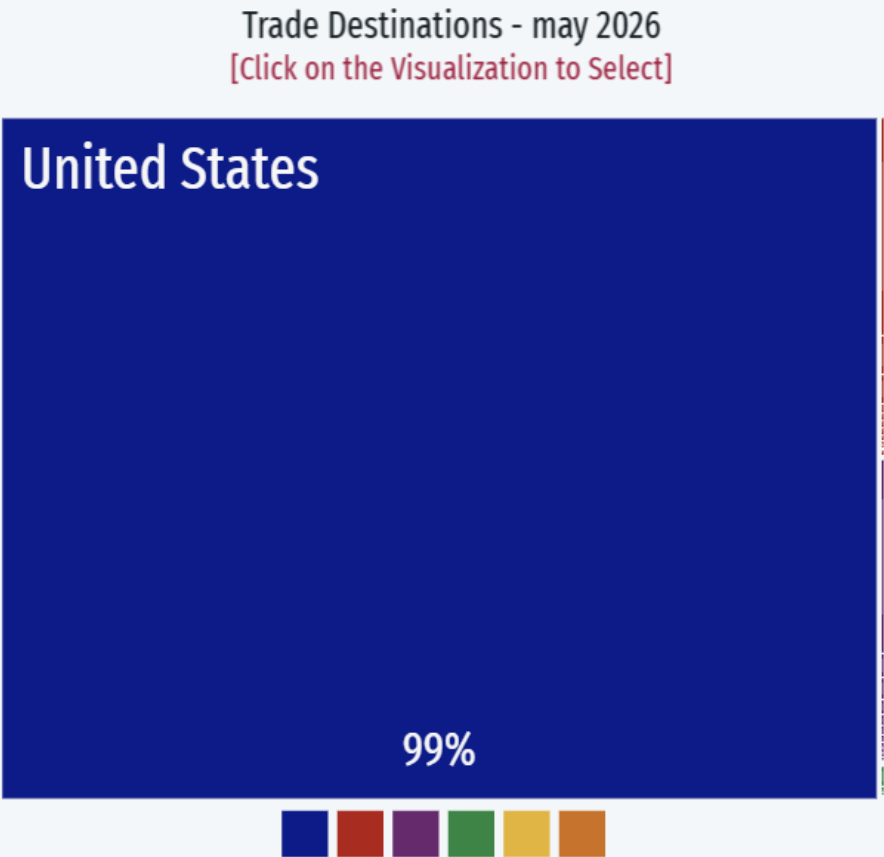
- Growth of over \$20 billion in trade growth in last 24 months (\$29.1 billion total)
- Tijuana, by comparison, did \$6.62 billion in total trade during the same month
- Greater pressure on ports and truck corridors
- A stronger demand signal for logistics and industrial space

A concentrated export base is tied overwhelmingly to the U.S.

May 2026 export composition and destination data from Ciudad Juarez.



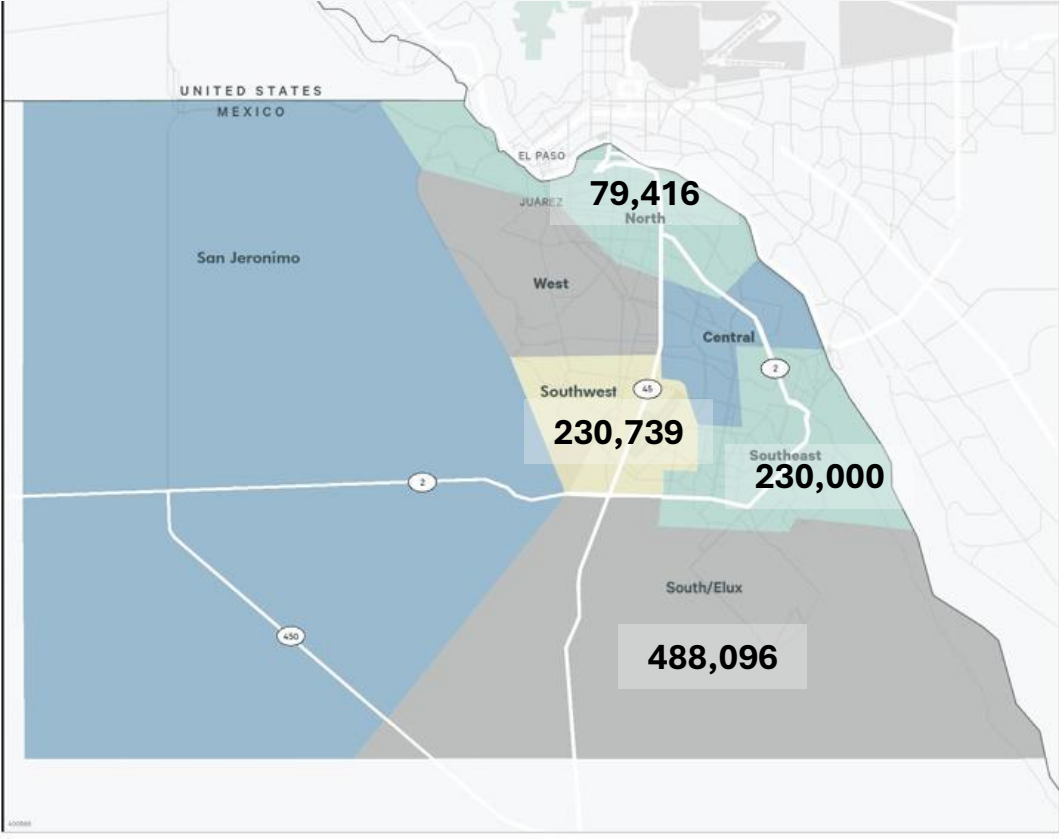
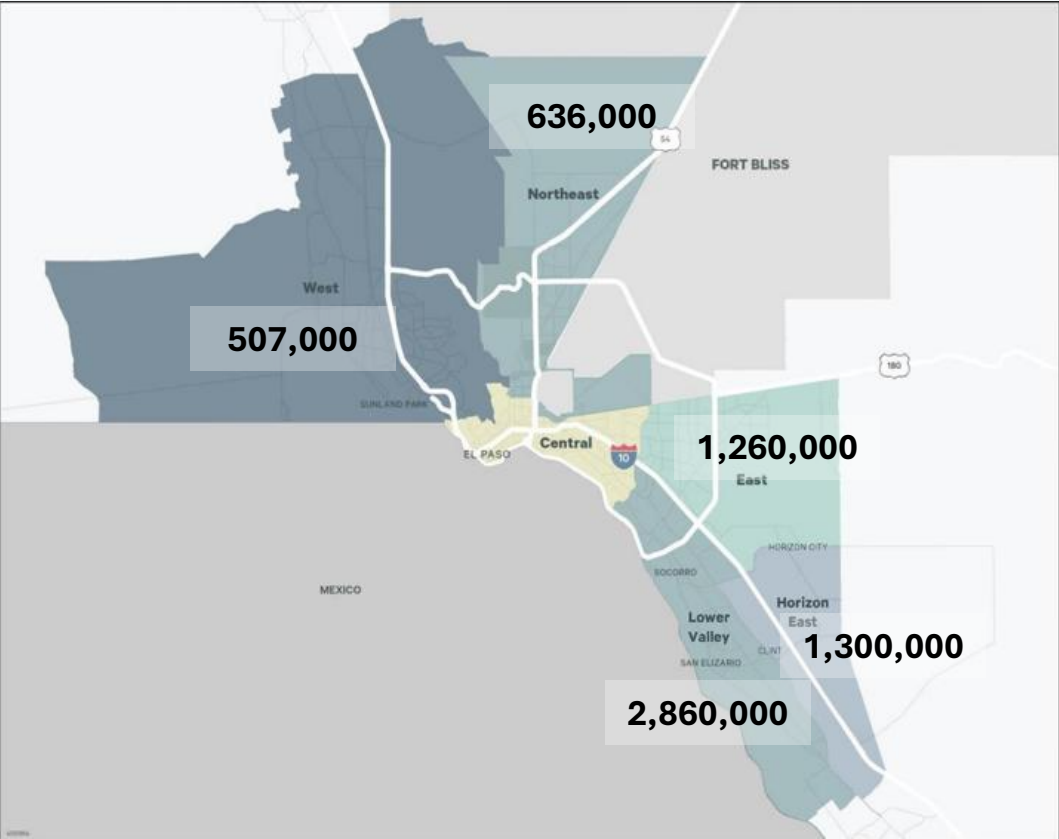
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Industrial growth is clustering along the eastern trade corridor

Development follows freight access, available industrial space, and connections to the U.S. market.



Policy challenge: help New Mexico compete for the same industrial demand already reshaping the broader Borderplex.

Source: https://mktgdocs.cbre.com/2299/155535fd-76a1-420c-bb47-60a608047372-1296045753/El_Paso_2026_Q2_Figures_Publis.pdf, https://mktgdocs.cbre.com/2299/3b5c8e21-bdd7-4784-87e4-ea43b282ae0e-2144579381/Juarez_Industrial_Figures_Q2_2.pdf

El Paso is competing at a national industrial scale

The source presentation benchmarks construction activity and absorption against major U.S. markets.

2.6%

Share of regional industrial space under construction

#10

U.S. rank for industrial space under construction

#1

U.S. net absorption rate, year to date

“El Paso’s expansion in particular underscores the growing importance of North American supply chains...”

CBRE Insights, as cited in the source presentation

Industrial Revenue Bonds: valuable tool, structural tradeoffs

The current model offers predictability, but creates complexity, uneven fiscal impacts, and limited statewide visibility.

STRENGTHS

Single application

Time and predictability for users

Competitive for long-term industries

Operational cost control

Anti-donation avoidance

Public title structure

Locally defined benefits

Communities shape PILTs

TRADEOFFS

Attorney-intensive process

Higher transaction cost

One entity affects many

Other taxing authorities lose control

Difficult to unwind

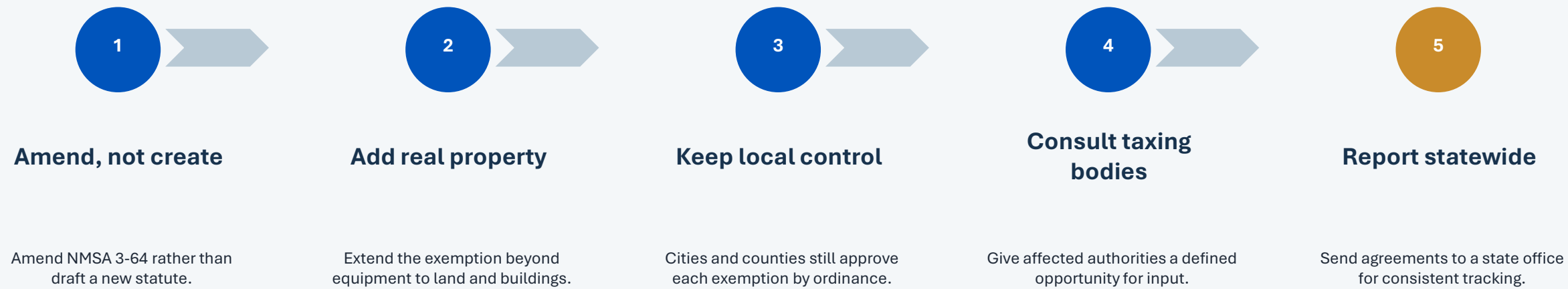
Tax abatement persists through term

Hard to track statewide

Long-term impacts are rarely centralized

A simpler path: extend the Community Development Incentive Act

NMSA 1978, Chapter 3, Article 64 already exempts personal property; adding “real property” completes the tool without creating a new program.



Why amending beats building new

- Uses a proven statute
- No new program to stand up
- Covers the largest project cost
- Simpler than IRB structuring
- Faster to deploy for smaller firms

Economic development project needs

Projects now come with infrastructure requirements that no single party can meet alone.

Public-private partnerships and repeatable working models turn infrastructure gaps into regional opportunity.



The everyday: what projects are asking for today

64 projects over the last year — average infrastructure asks of economic development projects in the current pipeline.

110 MW

Peak ENERGY use projected by projects that have looked at the NM Borderplex (10 MW median)

1,620,157 GPD

Daily WATER use projected by projects that have looked at the NM Borderplex (142,671 GPD median)

379,745 CF

Daily GAS use projected by projects that have looked at the NM Borderplex (4,000 CF median)

2,585,459 SF

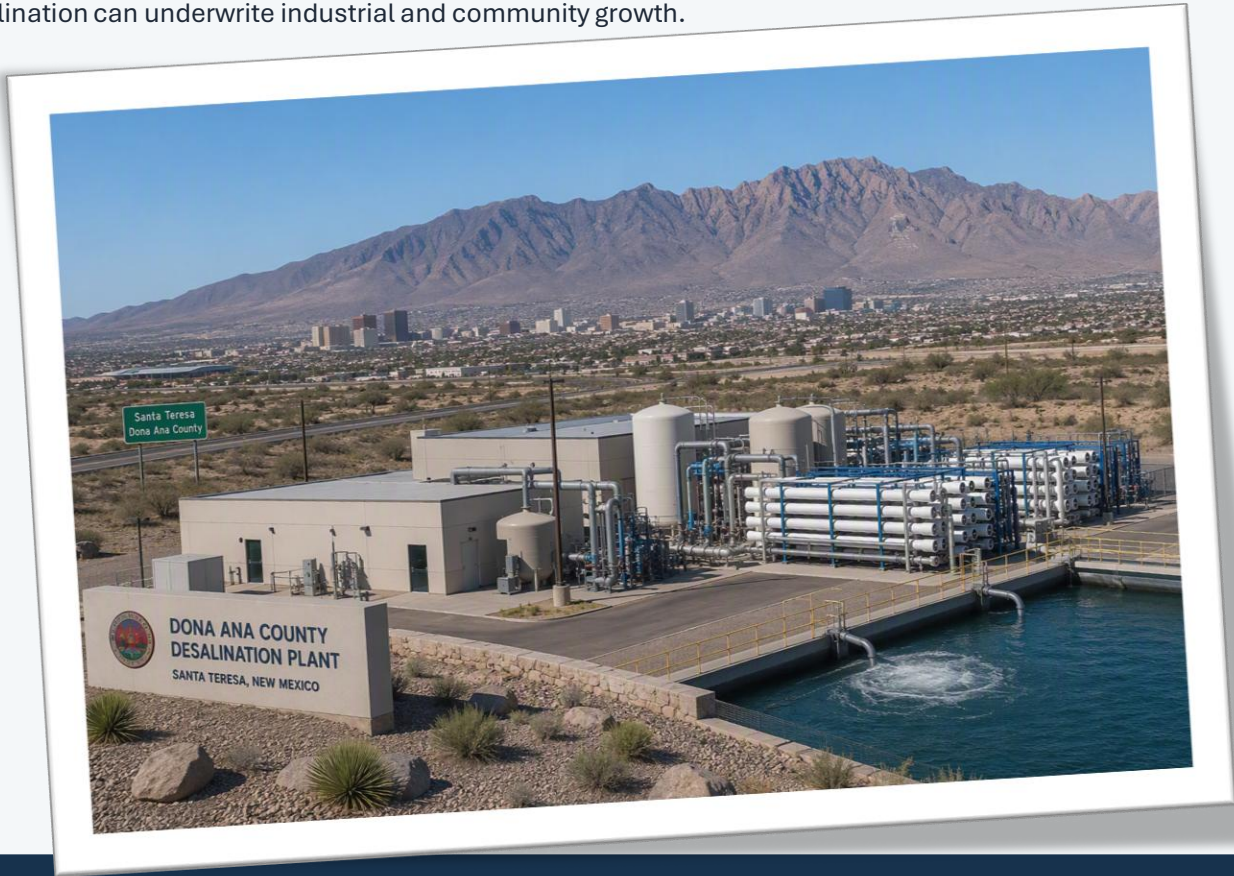
Size of FACILITY projected by projects that have looked at the NM Borderplex (240,000 SF median)

What the trend means

- Ability to serve need through infrastructure wins deals (site readiness and tradeport funding needs to be deployed)
- Power and water access are the first questions in site selection
- There are 2 existing facilities in Santa Teresa and 2 in Albuquerque that are 240,000 SF+

3P: desalination as a regional supply solution

Water desalination can underwrite industrial and community growth.



65 million ac-ft

Conservative estimate by NMSU of Mesilla Basin of economically recoverable fresh to slightly brackish water

New water source

Private sector interests can bring funding and new technologies to help tap a resource that can enhance opportunities for rural water systems

Placeholder: add project scope, timeline, and the partnership structure that makes it work.

Placeholder slide for build-out

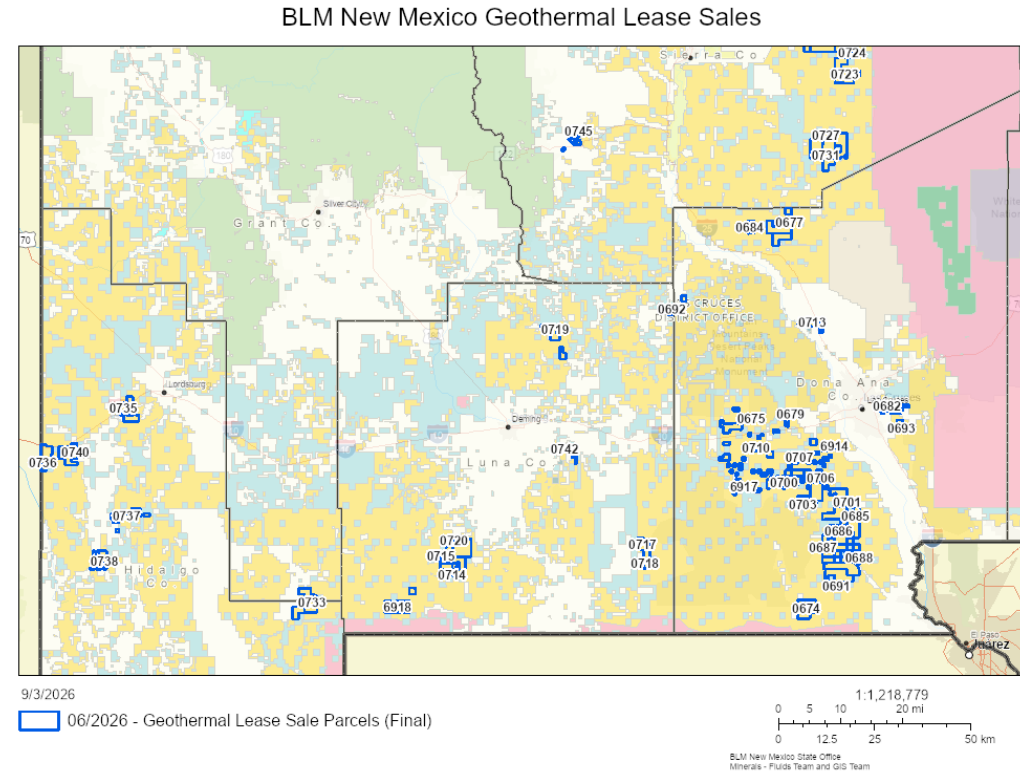
3P: Southline transmission project as a rural energy solution

Transmission capacity as the enabler of rural and Borderplex development



**152,382 acres leased
(\$16,581,926)**

47 parcels across Hidalgo, Grant, Luna, Sierra, and Doña Ana counties in June 2026



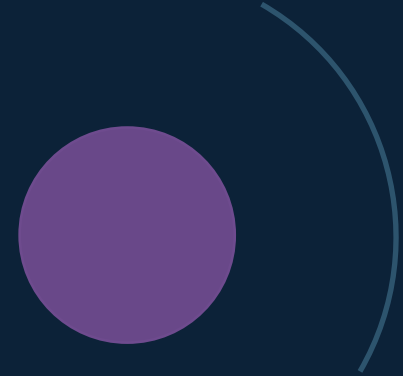
The capital for infrastructure exists and the generation resources are set. The push is developing demand.

Placeholder slide for build-out

Workforce readiness

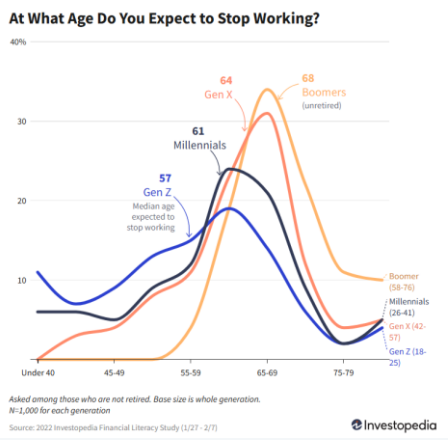
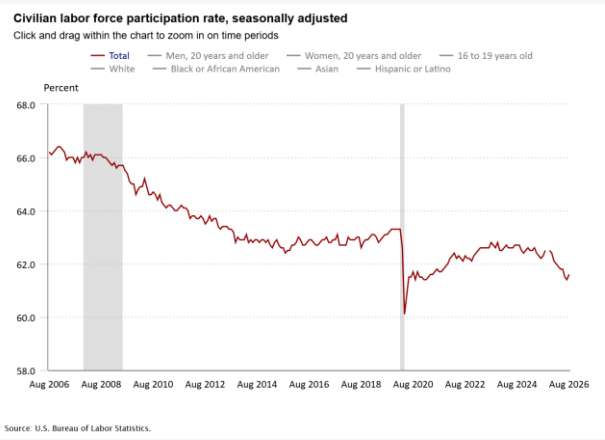
Competitiveness is a skills issue: growth only becomes durable local gain when the workforce is ready.

Skills, credentials & the talent pipeline



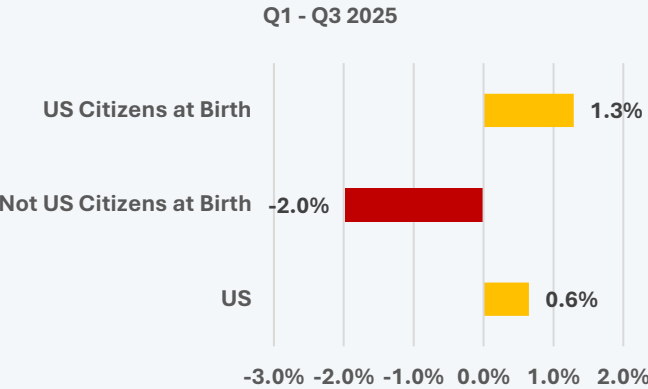
This confluence and the preparations will define who succeeds

Industrial demand is already here; the constraint is a workforce aligned to what these employers hire for.



Foreign-Born Works Are Leaving the US Workforce

Percent Growth of US Labor Force



Labor force is shrinking

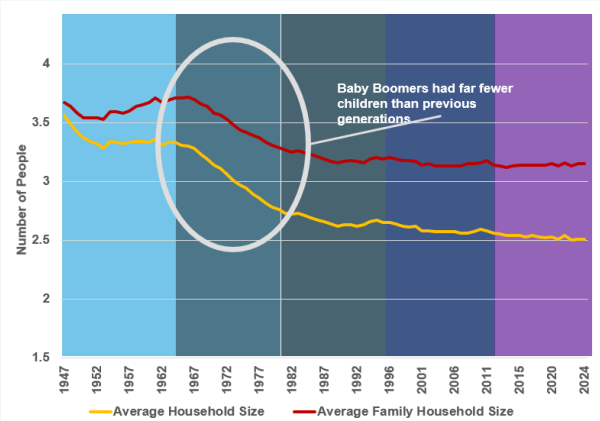
>1% higher than May 2020; Men are down 6.4%; Women are down 2.8%; 16-19 are down 7.7% from Aug 2006 to 35.7%

Retirement is sooner

67 is the standard; 62 is the average; 57 is the expectation

Immigration is slowing

44% of workforce expansion over last decade came from immigration



Birth rates are declining

Average household size has dropped by a whole person since 1947; the birth rate has dropped from 26.6 to 10.7 per 1,000 people

Higher education's role needs support

Current methods of measurement do not match the shift



Quick, consumable education

Online courses create conflicts with collaborative work and physical infrastructure budgets

Carnegie Credit System

1902 – Higher education is financed and assessed through credit hour systems and enrollment

High schools peaking

Graduation numbers across the country are peaking (due to declining birth rates)

The future of education will be focused on upskilling adults and enhancing productivity of all through deeper advancement and adoption of technology.

Automation technologies will create new careers

Two job tracks: credentials decide which one pays

Job volume and job wages run on opposite tracks — credential attainment is what separates \$40,787 from \$68,456.

88%

TRACK 1 — VOLUME: 88% of the 25 occupations with the most annual openings in 2033 require a high school diploma or less.

\$40,787 AVERAGE WAGE
48,960 OPENINGS: HIGH SCHOOL OR LESS

5%

TRACK 2 — WAGES: the 25 fastest growing occupations pay far more, but account for only 1 in 20 annual openings statewide.

\$68,456 AVERAGE WAGE
1,821 (31.5%): SOME COLLEGE OR HIGHER

43%

THE STAKES: Track 1 is 42.6% of all 114,863 annual openings, so a shrinking workforce defaults New Mexico to the lower wage.

Source: New Mexico Department of Workforce Solutions, Labor Market Information Portal

OCCUPATION	TYPICAL EDUCATION	2023 ESTIMATED EMPLOYMENT	2033 PROJECTED EMPLOYMENT	ANNUAL OPENINGS	2024 AVG WAGE
Fast Food and Counter Workers	Less than High School Diploma	23,970	28,021	6,437	\$28,650
Retail Salespersons	High School Diploma	25,832	27,764	4,074	\$31,360
Cashiers	High School Diploma	16,199	16,606	3,158	\$29,230
Waiters and Waitresses	High School Diploma	13,345	15,160	3,102	\$30,440
Stockers and Order Fillers	High School Diploma	16,575	18,623	3,004	\$35,670
Secretaries and Administrative Assistants, Except Legal, Medical and Executive	High School Diploma	24,418	25,784	2,864	\$42,960
Customer Service Representatives	High School Diploma	18,967	18,820	2,479	\$38,060
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	High School Diploma	15,091	16,542	2,339	\$33,640
Cooks, Restaurant	High School Diploma	8,696	11,408	1,778	\$34,110
Food Preparation Workers	High School Diploma	8,428	8,973	1,608	\$29,350
General and Operations Managers	High School Diploma	16,591	18,482	1,596	\$100,200
Office Clerks, General	High School Diploma	13,945	13,759	1,593	\$36,310
Construction Laborers	High School Diploma	14,178	16,142	1,460	\$38,520
Heavy and Tractor-Trailer Truck Drivers	High School Diploma	11,792	13,024	1,385	\$48,360
Laborers and Freight, Stock, and Material Movers, Hand	High School Diploma	9,548	10,427	1,378	\$37,000
Registered Nurses	Bachelors Degree	18,490	20,879	1,251	\$88,260
Security Guards	High School Diploma	8,034	8,685	1,130	\$38,650
First-Line Supervisors of Food Preparation and Serving Workers	High School Diploma	6,442	7,571	1,118	\$39,670
Maids and Housekeeping Cleaners	Less than High School Diploma	6,518	7,600	1,106	\$29,760
Medical Assistants	Postsecondary Certificate	6,651	7,960	1,066	\$39,000
Maintenance and Repair Workers, General	Postsecondary Certificate	9,397	10,692	1,033	\$41,860
Teaching Assistants, Except Postsecondary	High School Diploma	8,171	8,626	1,032	\$28,494
Bookkeeping, Accounting, and Auditing Clerks	High School Diploma	9,162	9,130	1,031	\$46,610
First-Line Supervisors of Retail Sales Workers	High School Diploma	10,016	10,220	1,009	\$45,600
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	Less than High School Diploma	3,337	3,713	929	\$27,910

OCCUPATION	TYPICAL EDUCATION	2023 ESTIMATED EMPLOYMENT	2033 PROJECTED EMPLOYMENT	ANNUAL PERCENT GROWTH	ANNUAL OPENINGS	2024 AVG WAGE
Wind Turbine Service Technicians	Postsecondary Certificate	165	296	6.02%	35	\$64,390
Nurse Practitioners	Masters Degree	1,983	2,951	4.06%	203	\$138,440
Information Security Analysts	Bachelors Degree	1,757	2,529	3.71%	193	\$133,780
Data Scientists	Not Listed	519	727	3.43%	56	\$85,040
Exercise Trainers and Group Fitness Instructors	Postsecondary Certificate	1,501	2,099	3.41%	392	\$45,760
Solar Photovoltaic Installers	Postsecondary Certificate	206	283	3.23%	31	\$46,260
Umpires, Referees, and Other Sports Officials	High School Diploma	59	81	3.22%	17	\$28,210
Medical and Health Service Managers	Bachelors Degree	3,170	4,265	3.01%	372	\$121,580
Gambling Managers	High School Diploma	67	90	3.00%	11	\$99,810
Gambling Dealers	High School Diploma	353	471	2.93%	80	\$26,710
Gambling Service Workers, All Others	High School Diploma	45	60	2.92%	11	\$31,170
Hotel, Motel, and Resort Desk Clerks	High School Diploma	2,842	3,788	2.92%	614	\$28,770
Lodging Managers	Bachelors Degree	380	506	2.91%	56	\$56,440
Cooks, Restaurant	High School Diploma	8,696	11,408	2.75%	1,778	\$34,110
Amusement and Recreation Attendants	Less than High School Diploma	1,740	2,248	2.59%	593	\$28,140
Entertainment and Recreation Managers, Except Gambling	Bachelors Degree	31	40	2.58%	5	\$78,350
First-Line Supervisors of Gambling Services Workers	High School Diploma	162	208	2.53%	24	\$58,280
Physician Assistants	Masters Degree	661	847	2.51%	56	\$139,990
Health Specialties Teachers, Postsecondary	Masters Degree	1,562	1,983	2.42%	173	\$129,170
Operations Research Analysts	Masters Degree	457	580	2.41%	44	\$77,930
Gambling Surveillance Officers and Gambling Investigators	High School Diploma	94	119	2.39%	15	\$36,910
Massage Therapists	Postsecondary Certificate	495	625	2.36%	84	\$47,660
Bartenders	High School Diploma	3,504	4,407	2.32%	752	\$31,370
Chefs and Head Cooks	Associates Degree	420	528	2.31%	67	\$55,170
Logisticians	Bachelors Degree	923	1,160	2.31%	110	\$87,960

What this means for economic development strategy

The workforce math points to a specific kind of project — and a specific way to prepare for it.

01

Target automation-led industrial

Pursue advanced manufacturing and automated facilities that produce more output per worker — the growth New Mexico can staff with a shrinking labor force.

02

Align credentials to those occupations

Build short, stackable credentials for the technician, controls, and maintenance roles these facilities hire for — what the education system can realistically deliver.

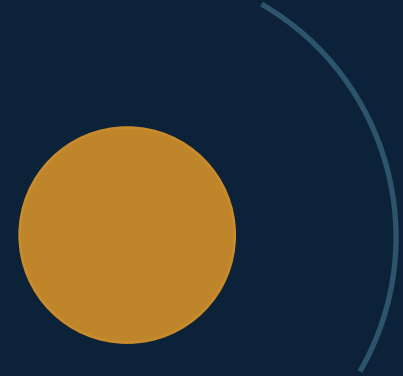
03

Make readiness the differentiator

Pair site, power, and water readiness with a trained local workforce so the region can answer both infrastructure and talent questions before a project asks.

Thank you

Thank you for your time and attention. We welcome your questions and continued partnership.



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