

# Building a Regional Economy

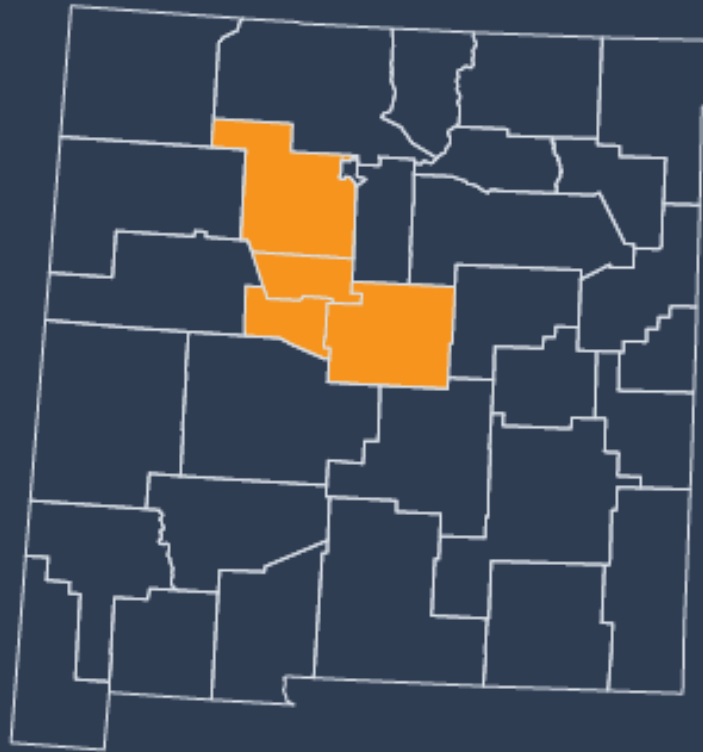
Presentation to the  
ECONOMIC  
DEVELOPMENT AND  
POLICY COMMITTEE  
August 20, 2021



@ABQEconDev

# Supporting the Metro Area

---



Servicing **Sandoval, Valencia, Torrance and Bernalillo** Counties

**915,000+** population area

**300** member organizations

**Impact and connectivity opportunities** to Los Alamos and Santa Fe as well

# AED's Impact Over the Years

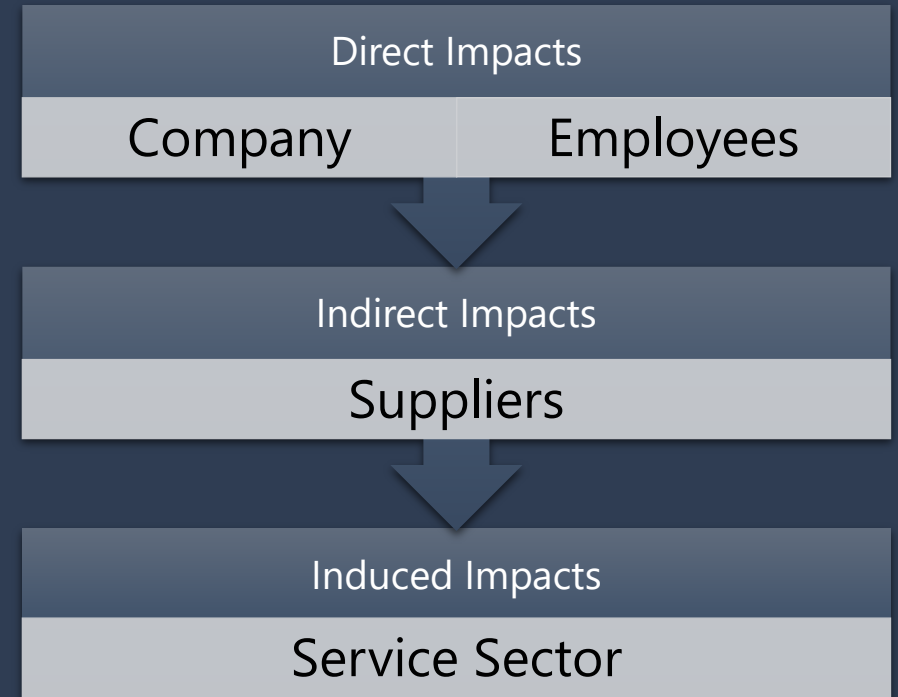
---

- Became a membership organization in 1992 following its evolution from initial roots in 1960
- Assistance offered to thousands of local businesses in outreach program
- Significant advocacy and research efforts in incentive tools and structures
- Involvement in hundreds of new business locates and local expansions in the region

# The Impact of Tradable Sector Jobs

<b>Job Types</b>	<b>Additional Jobs for Every 1 Job Created</b>
Professional and technical	4.1
Durable manufacturing	7.4
Information	5.7
Government	0.2
Restaurants	0.2

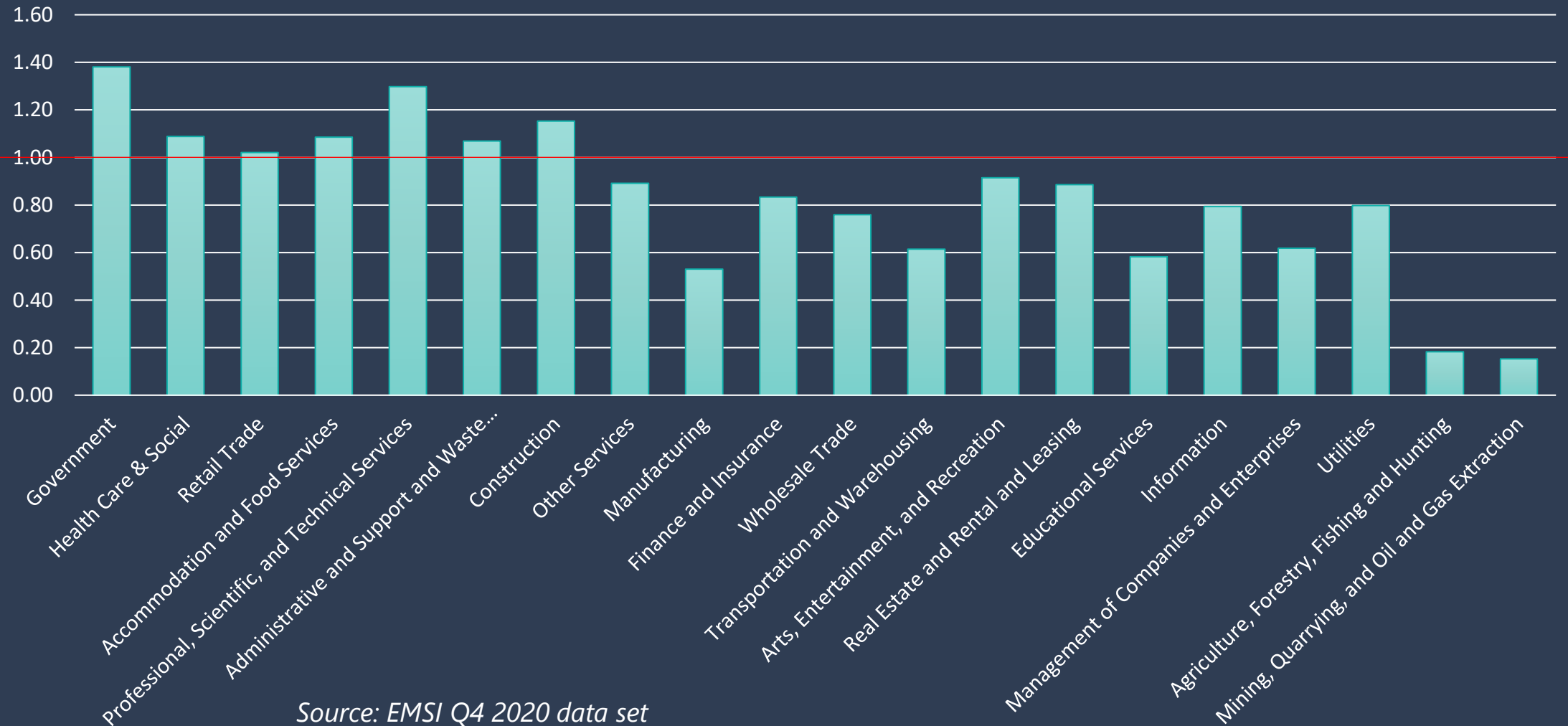
*Source: Economic Policy Institute*



For every job created by a company other jobs are created by indirect and induced activities. The number created varies by the industry of the primary job created.

# Location Quotient of Industries in MSA

*\*Data sets show a 24% decline in information jobs in the last 5 years.*



Source: EMSI Q4 2020 data set

# Economies are Regional

About 16% of Los Lunas residents are also employed in the local area.

WHERE WORKERS FROM LOS LUNAS ARE EMPLOYED	COUNT	SHARE
Village of Los Lunas	1,090	16.9%
City of Albuquerque	3,111	48.4%
City of Santa Fe	221	3.4%
City of Belen	153	2.4%
City of Rio Rancho	119	1.8%
Village of Bosque Farms	61	0.9%
(others)	1,549	24%
TOTAL	6,433	100%

Source: US Census On The Map 2018, <https://onthemap.ces.census.gov/>

# Economic Development Building Blocks

---



## Identify

Identify strengths and weaknesses through research



## Create

Create data-driven value proposition



## Brand

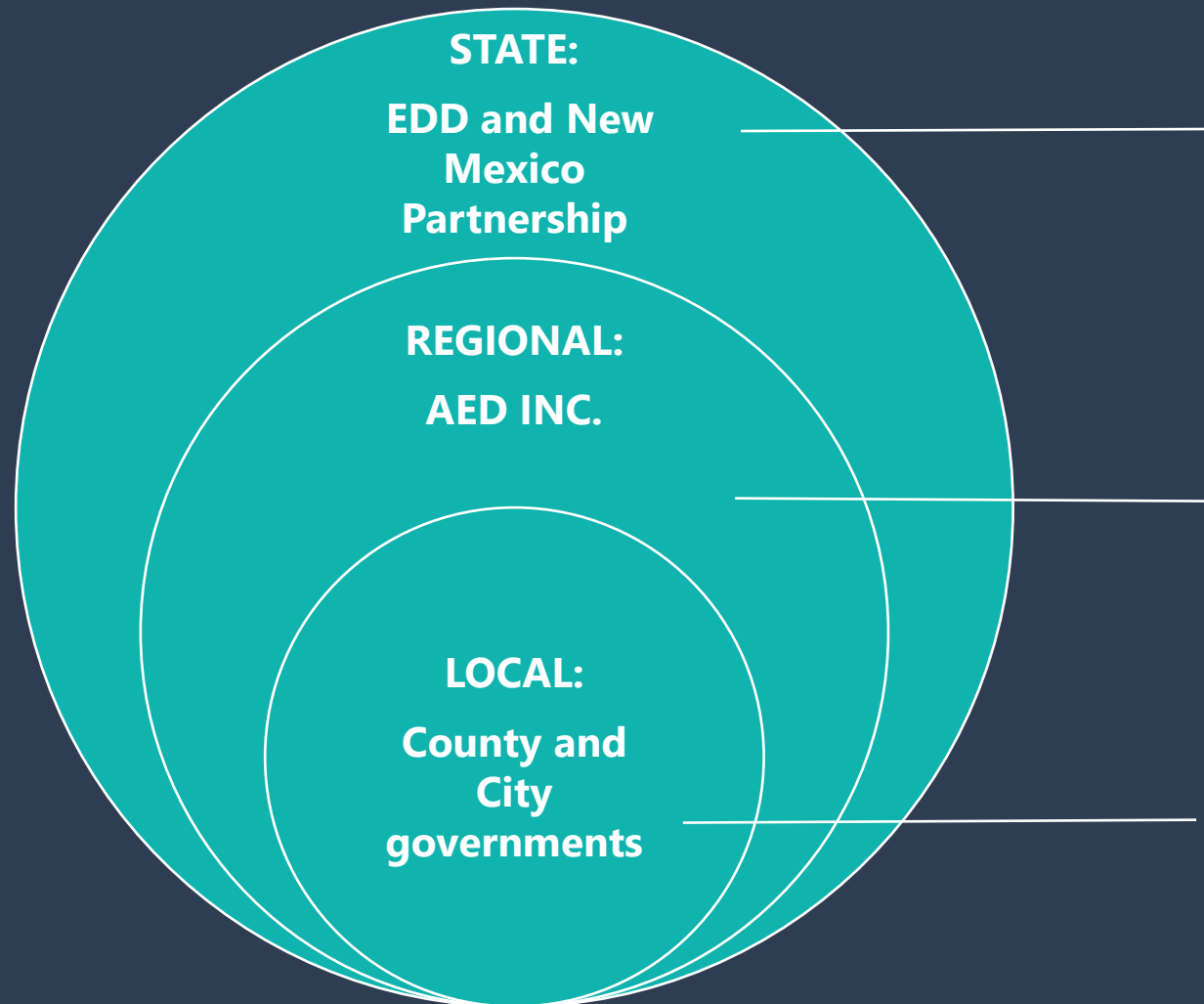
Development brand and marketing



## Prospect

Prospect identification, development and location

# Complementary & Unique Roles of Partner Agencies



## EXAMPLE ROLES:

State level competitiveness and incentive program administration  
State-wide strategy and funding  
Lead generation marketing

Regional data  
Site selection and marketing  
Lead generation and proposal responses  
Toolkit and competitiveness  
Base business growth and market intel

Land use planning, infrastructure  
Local target sector focus  
Permitting and zoning  
Local incentive agreements  
Small business retention and expansion



# AED's Core Areas of Service and Expertise

---

Regional, data driven value proposition development, **research and analytics**

---

**Site selection support**, incentive analysis and project advocacy

---

National consultant and multiplier **marketing, cold lead generation**

---

**Existing business growth support and market intelligence**

---

Regional **workforce strategies and talent** attraction

---

Policy analysis and toolkit development to **enhance competitiveness**

---

Membership engagement and programming

---

# Available Data Resources and Services for Region

<b>MARKETING &amp; WEB PRESENCE, VIDEO PRODUCTION AND PAID AND EARNED SOCIAL MEDIA</b>	<b>GIS BASED BUSINESS DATA TOOLS, ZOOM TOURS &amp; COMMERCIAL REAL ESTATE LISTINGS</b>	<b>GRANULAR LABOR DATA ANALYSIS AND CUSTOM LOCAL DEMOGRAPHICS</b>	<b>LEAD GENERATION AND PROSPECTING TOOLS FOR NEW OPPORTUNITIES</b>	<b>ECONOMIC IMPACT ANALYSIS AND METRO COMPARISON MODEL</b>
<p>Big Data available through ABQSites.com along with property listing tools and custom community layers, demographics, business data and infographics. A soon to launch regional JOBS BOARD will allow growing firms to post opportunities that will then be marketed to skilled labor.</p>	<p>Website hosting and maintenance cost to provide a trackable, regional promotional tool with integrated data sets and sources, along with social media management and tools. Community-specific level data and comparisons available for all jurisdictions in region.</p>	<p>Using EMSI, AED can analyze labor, job posting, demographic, industry and occupational trends to the 6-digit NAICS code level for any geography in a 10-state region. Cost of living C2ER database provides cost comparisons to articulate value proposition to prospects. The recently launched SizeUp small business tool supports local small business and is free to all seeking regional data.</p>	<p>AED subscribes to data sets such as external market lists, D&amp;B, Site Selector Contact Database, Fortune 500 and Inc. 5000 for lead generation purposes for the region. In addition, hosting of virtual and in person familiarization tour with regional focus.</p>	<p>Hosting and maintaining an economic impact model custom to areas in the region and a metro comparison model allows AED to produce impact reports for all projects and analyze return on investment for local incentives.</p>

# ABQ.ORG/TALENTPROFILE



**The GREATER ALBUQUERQUE REGION**  
Talent & Industry Profile

Albuquerque's strong talent base, quality of life and stable economy offer an opportunity for success

Albuquerque Economic Development

CBRE

## ALBUQUERQUE METRO

### Snapshot

- New Mexico's Commercial Hub** for business, trade, finance, industry and commerce
- 1,050,228** population in a 60 Minute drive time from I-40/I-25 interchange
- 54% Diverse population** vs. 36% national diversity
- WORKFORCE**  
Abundant, diverse and well-educated work force  
32.6% Bachelor's Degree or higher
- 104,000+** students currently enrolled in top 2-year and 4-year colleges and universities
- ALBUQUERQUE ACCOLADES**
  - One of America's Best Cities for 2020. Resonance Consultancy
  - 2021 Best Performing Cities - Among large cities that made the biggest gains moving from #161 in 2020 to #89 2021 - Milken Institutes
  - Best Places for Outdoor Enthusiasts to Live and Work for 2020. SmartAsset
  - 7 Cheap Cities to Buy a House in Right Now. Apartment Therapy

## WHO'S MIGRATING IN?

Albuquerque has seen inbound migration from many neighboring metropolitan areas. Migration into Albuquerque is fueled by people interested in leaving the hassle of larger more expensive markets. Albuquerque offers people the opportunity of home ownership, short commute times, low cost of living, excellent quality of life, access to amenities, and the availability of stable job opportunities.



Sept. 1st, 2020.

### TOP 10 CITIES FOR NET MIGRATION INTO ALBUQUERQUE

#1 Phoenix, AZ	#6 Tucson, AZ
#2 Los Angeles, CA	#7 Colorado Springs, CO
#3 San Diego, CA	#8 Houston, TX
#4 El Paso, TX	#9 San Antonio, TX
#5 Las Vegas, NV	#10 Omaha, NE

©2021 CBRE, INC. & ALBUQUERQUE ECONOMIC DEVELOPMENT. ALL RIGHTS RESERVED.

Manpower | TEKsystems

NBC UNIVERSAL | JABIL | NETFLIX

©2021 CBRE, INC. & ALBUQUERQUE ECONOMIC DEVELOPMENT. ALL RIGHTS RESERVED.



ABQSITES.COM

USE YOUR PHONE CAMERA TO OPEN QR CODE.



# ABQ.ORG/2021STRATEGY

**Albuquerque Economic Development**

## 2021 and Beyond: A STRATEGIC PLAN FOR ECONOMIC RECOVERY AND RESILIENCY IN THE ALBUQUERQUE METROPOLITAN REGION

Supporting economic growth in Bernalillo, Valencia, Sandoval and Torrance Counties.

*This plan made possible by:*

- ONE ALBUQUERQUE
- New Mexico GAS COMPANY
- PNM
- KPMG

201 Third St. NW, Suite 1900 | Albuquerque, NM 87102 | [www.abq.org](http://www.abq.org)



### Team

of an organization and its measures company's culture. It also ensures critical in their shared beliefs and staff brainstorming sessions, team Task Force feedback:

### Method and Approach

analysis of the region's competitiveness, target industry clusters, and workforce.

ID, INC was engaged to conduct a Strengths, Weaknesses, Opportunities and Threats analysis through stakeholder input, and in the process engaged directly with more than 80 key individuals, as well as utilized the results of online investor and stakeholder surveys. The firm also reviewed and offered insights and recommendations regarding organizational structure based on best practices regional organizations nationally.

Hickey Global, a part of the Hickey Family of global advisory companies, was retained to complete and deliver a labor analysis, target industry cluster verification and recommendations, competitiveness analysis, ecosystem analysis guidance, and strategic recommendations – all from the lens of a site selection consultancy.

The final recommendations in this Strategic Plan are the result of collaboration and consensus among these independent consulting firms, led by economic development practitioners with a combined 60+ years of experience building and leading best in class regional economic development organizations.

### Takeaways

The Albuquerque region has a positive business cluster message to market nationally.

With against strong competing regions, AED needs to improve organizational capabilities in marketing and business development.

A diverse set of high ranking clusters shows the Albuquerque Region to have a balanced portfolio.

Brainpower and IP are already in commercialization.

... should focus on the

In Renewable Energy, become the green energy capital of the United States, and the model for other markets in the future.

Manufacturing, focus on reshoring and onshoring opportunities.

TOP BIG GOAL METRIC:

Rank in the top 25% of mid-sized markets in the U.S. for job growth in 5 years.

# STRATEGIC PLAN SUMMARY CARD

## Guiding Principles

### Collaborators & Connectors

We are collaborators and connectors, starting conversations and enhancing partnerships.

### Ethical & Inclusive

We operate every day ethically and inclusively.

### Educators & Innovators

As experts in our field, we proactively educate, mentor and innovate.

### Resourceful, Reliable & Resilient

We are a resourceful, reliable and resilient team.

## Vision

The greater Albuquerque region will be known and recognized for having the highest quality of life and the most diverse and sustainable economy in the US mountain west.

## Mission

AED leads and executes strategies designed to grow and diversify the economic base of the greater Albuquerque region, creating a prosperous, diverse and inclusive economy and elevating the standard of living for all.

## Strategic Focus Areas

### Diversify the Economy

- Grow site selector outreach
- Develop value propositions and lead gen strategies in target clusters
- Grow existing business program with market intel outreach
- Capitalize on national and global trends

### Establish a National Brand

- Redesign and invest in AED marketing platform
- Launch comprehensive media strategy
- Leverage video content
- Enhance the website, online presence and conversion rate of visitors

### Increase Regional Competitiveness

- Development an ecosystem communication platform
- Align talent attraction, retention and development efforts
- Address opportunities in mobility and transportation
- Support commercial space development
- Deliver evidence based legislative recommendations

### Modernize the AED Organization

- Address organizational structure to enable fundraising needs
- Increase investor engagement and value
- Invest in the pursuit of excellence as an organization, a team and as individual economic developers

## Major Initiatives

- **Think:** Think big and develop a long-term actionable approach for capturing the economic impact that our research institutions make possible.
- **Ensure:** Ensure awareness at all times of our economic standing as a region.
- **Shift:** Shift our perspective and approach to transform to a truly region-serving organization.
- **Respond:** Aggressively respond to needs and opportunities presented as a result of COVID-19 impacts.
- **Create:** Create unique programs targeting the attraction of target cluster companies and knowledge workers. Champion and expand talent need solutions for now and in the future.
- **Establish:** Establish the region as the single most prominent location for aerospace related innovation in the country, actively engage with leading partners and institutions.
- **Expand:** Expand the existing business efforts to a model regional market intelligence program, driving local business growth and informing attraction pipelines.

CBSA	Total Population	Total Labor Force	Participation Rate
US NATIONAL AVERAGE	329,053,063	167,501,734	63.7%
<b>Albuquerque, NM</b>	930,990	402,474	<b>61%</b>
Boise, ID	795,211	342,125	64.9%
Colorado Springs, CO	778,858	327,420	67.6%
Dallas-Fort Worth-Arlington, TX	7,933,166	3,784,615	68.8%
Des Moines-West Des Moines, IA	726,953	372,347	<b>71.6%</b>
El Paso, TX	859,285	347,439	62%
Omaha-Council Bluffs, NE-IA	980,450	499,261	70.7%
Phoenix-Mesa-Chandler, AZ	5,189,204	2,224,122	62.8%
Salt Lake City, UT	1,286,777	608,465	<b>71.4%</b>
Tucson, AZ	1,072,544	443,327	58.2%
Tulsa, OK	1,014,348	462,624	63.9%

CBSA	Inflow	Outflow	Net Migration (Incl. Foreign)	Net Migration (Domestic Only)	Rate of Growth
<b>Albuquerque, NM</b>	38,019	35,889	2,130	-1,451	<b>0.2%</b>
Boise, ID	39,164	26,486	12,678	9,559	1.6%
Colorado Springs, CO	72,133	54,889	17,244	10,089	2.2%
Dallas-Fort Worth-Arlington, TX	301,487	217,568	83,919	28,028	1.1%
Des Moines-West Des Moines, IA	33,643	25,192	8,451	6,543	<b>1.2%</b>
El Paso, TX	42,393	43,244	-851	-10,713	-0.1%
Omaha-Council Bluffs, NE-IA	39,799	37,908	1,891	-3,310	0.2%
Phoenix-Mesa-Chandler, AZ	229,492	150,659	78,833	48,585	1.5%
Salt Lake City, UT	66,922	57,391	9,531	179	<b>0.7%</b>
Tucson, AZ	64,665	46,773	17,892	9,148	1.7%
Tulsa, OK	41,061	38,800	2,261	-1,653	<b>0.2%</b>

Source: US Census Bureau, American Community Survey, 2019; Easy Analytic Software, Inc. 2020 edition

# Competitor Markets Analyzed

# Target Industry Cluster Analysis

MAJOR FINDINGS	TAKEAWAYS
<ul style="list-style-type: none"><li>• In this study, the Albuquerque Region's competitiveness scores well above the U.S. average for all the six targeted clusters assessed.</li><li>• However, it competes against regions that are very strong in the same clusters.</li><li>• Compared to the ten competitive markets, Albuquerque MSA ranks highest for Professional &amp; Corporate Services, Biosciences, and the Film &amp; Media sectors.</li><li>• Proximity to Sandia National Laboratories and Los Alamos National Laboratory, two of the top science and technology institutions in the world, gives the region superb R&amp;D capability in Aerospace, Biosciences and Renewable Energy.</li></ul>	<ul style="list-style-type: none"><li>✓ The Albuquerque region has a positive business cluster message to market nationally.</li><li>✓ To win against strong competing regions, AED needs to improve its organizational capabilities in marketing and business development.</li><li>✓ A diverse set of high-ranking clusters allows the Albuquerque Region to grow a balanced portfolio.</li><li>✓ The brainpower and IP are already in the Region awaiting better pathways for commercialization.</li></ul>

1. In **Aerospace**, capitalize on the exceptional Research & Development capabilities in the Region.
2. In **Biosciences**, convert research and development technologies into the development of local businesses.
3. In **Renewable Energy**, become the green energy capital of the United States, and the model for other markets in the future.
4. In **Digital Media & Film**, market the Albuquerque Region's tremendous advantages versus traditional filming locations and become the HQ2 of Digital Media & Film.
5. In **Corporate & Professional Services**, capitalize on current trend and attract Middle Office (professional jobs) to the region.
6. In **Manufacturing**, focus on reshoring and onshoring opportunities.



# Competitiveness Analysis Insights

## MAJOR TAKEAWAYS

One of greater Albuquerque's **most significant economic development advantages is its large, affordable, highly-skilled workforce**. Most Tier 1 (one-million+ population) metropolitan areas cannot match this as they are typically significantly more expensive and have very competitive labor markets.

- In the benchmarking portion of this study, **greater Albuquerque scores well above the U.S. average for all the six targeted clusters assessed**.
- Overall, the region has a high concentration of research and engineering talent.
- Compared to the ten competitive markets, greater Albuquerque:
  - Ranks highest for Professional & Corporate Services, Biosciences, and the Film & Media sectors.
  - Has the **lowest high school graduation rate and the second lowest percent of Bachelor's Degrees**, but is first in percent of Doctorate Degrees, and Second for Master's Degrees.
  - **Has the second-weakest technology infrastructure**, with the lowest percentage of households with broadband subscriptions and computing devices.
  - Has an **average Hazard Index and a moderate risk to natural disasters**.

## OTHER CONSIDERATIONS

- The **Sunport ranks fourth highest in the nation** compared to other medium-sized airports.
- Innovation is very strong for the region, with two of the country's seventeen existing national laboratories. New Mexico's **public investment in research and development is the highest in the nation**, although private investment and venture capital have not caught up to similar markets.
- **Tax rates are close to the U.S. national average**, which can be advantageous or disadvantageous depending on what markets it is competing against for location projects.
- Logistically, Albuquerque works best as a location to supply the Southwest.
- Total time spent on the road is lower than average in Albuquerque; however, **freeway access and road conditions may signal an aging infrastructure** that could stymie future growth.
- Albuquerque has a low cost of living. Its housing values are below average and home value inflation is very low, making Albuquerque a very affordable place to live or relocate workforce.
- Albuquerque has above-average access to cultural amenities.
- Crime rates in Albuquerque are slightly below the national average, at 97 compared to the national average of 100. However, all metropolitan areas in the study have values lower than Albuquerque.

# Strategic Focus Areas

## Diversify the Economy

- Grow site selector outreach
- Develop value propositions and lead gen strategies in target clusters
- Grow existing business support program with market intel outreach
- Capitalize on national and global trends

## Establish a National Brand

- Redesign and invest in AED marketing platform with a focus on digital tools
- Launch comprehensive, proactive in and out of market media strategy
- Leverage video content
- Enhance the website, online presence and conversion rate of visitors

## Increase Regional Competitiveness

- Development an ecosystem communication platform
- Align talent attraction, retention and development efforts
- Address opportunities in mobility and transportation
- Support commercial space development
- Deliver evidence based legislative recommendations

## Modernize the AED Organization

- Address organizational structure to enable fundraising needs
- Increase investor engagement and value
- Invest in the pursuit of excellence as an organization, a team and as individual economic developers

# Summary Policy Priorities

## Policy Priorities for the 2022 Legislative Session

- 1. CREATE MECHANISMS TO ENCOURAGE PRIVATE DEVELOPMENT:** The establishment of guiding principles to govern public-private partnerships allowing the state and certain local governments to enter into long-term partnerships with private sector partners to facilitate public projects to address New Mexico's aging infrastructure and critical public services.
- 2. REDUCE RED TAPE AND SPEED TO MARKET FOR BUSINESS:** Following national best practices, create regulatory processes that reduce complexity and uncertainty for new business investment, increasing their speed to market.
- 3. ECONOMIC DEVELOPMENT UTILITY RATE:** Seek legislation requiring the adoption of rules by the Public Regulation Commission to implement an economic development utility rate in a fashion that allows it to be used as an aggressive strategy to incentivize business growth, recruitment, and retention. Competitive utility rates are primary factors in site selection criteria, especially for the manufacturing industry.
- 4. INVEST IN ECONOMIC DEVELOPMENT:** All strategies, incentive tools and other mechanisms will be fruitless without adequate staffing and marketing resources at the state and local levels for executing outbound marketing to target industries and customers, and having the staffing capacity to then respond to project inquiries. This means continuing and increasing investment in JTIP, LEDA, the New Mexico Partnership as well as state and local economic development and tourism agencies. Opportunities include local funding mechanisms such as local economic development funding through dedicated sales tax.
- 5. DRAW NEW INVESTMENT TO THE STATE FOR STARTUPS:** Open the angel investment tax credit to out of state investors.
- 6. ONSHORE/RESHORE TAX CREDIT PROGRAM:** A tax credit program, preferably in addition to other applicable incentives, specifically tied to businesses onshoring/reshoring capital investments and jobs would be a differentiator for the state. Mechanisms could include waiving GRT or compensating tax for new businesses building infrastructure in New Mexico; consider a formulaic program as opposed to case-by-case.
- 7. MAINTAIN AND EXPAND BEST PRACTICES TOOLS:** Ensure the extension of successful programs such as the high Wage Jobs Tax Credit set to sunset June 2026.

# 2021 Immediate Next Steps

Task	July	August	Sept.	Oct.	Nov.	Dec.
Policy Priorities & Plan on Legislator 'Roadshow'						
Fundraising Feasibility Study						
<b>501c3 Transition: Task Force and Execution</b>						
<b>Naming Refresh Task Force: Discussions and Recommendations</b>						
Board Retreat						
Ecosystem Communication Platform Launch						
Website Refresh and Marketing Plan Development						
BRE Program Expansion						
Top 2 Target Industries Deep Focus						
Capital Campaign Launch						

# 2021 AED Board of Directors

**Hank Andrews**

*Verus Research*

**Tom Antram**

*French Funerals & Cremations*

**Beth Barela**

*Manpower of New Mexico*

**Celina Bussey**

*Deloitte*

**David Campbell**

*Mesa Del Sol*

**Mike Canfield**

*Indian Pueblo Cultural Center*

**Phil Casaus**

*BRYCON Corporation*

**Danielle Casey**

*AED President & CEO*

**Ryan Centerwall**

*Affordable Solar*

**Jim Chynoweth**

*CBRE, Inc.*

**Kent Cravens**

*Greater Albuquerque Association of Realtors*

**Michael Crossey**

*TriCore Reference Laboratories*

**Michelle Dearholt**

*Nusenda*

**Dale Dekker**

*Dekker/Perich/Sabatini*

**Chris Dunkeson**

*Comcast*

**Mark Epstein**

*TrueHealth New Mexico*

**Chair: Joe Farr**

*Duke City Commercial LLC*

**Joe Fortuin**

*Sennheiser New Mexico, LLC*

**Carlos Garcia**

*Garcia Automotive Group*

**Caroline Garcia**

*KPMG LLP*

**Kristi Gibbs**

*Old Republic Title Company*

**Gary L. Gordon**

*Retired (Emeritus Member)*

**Joanie Griffin**

*Sunny505*

**Debbie Harms**

*NAI Sun Vista*

**Jason Harrington**

*HB Construction*

**Vincent Herrera**

*Unite Private Networks*

**Justin Horwitz**

*Rodey Law Firm*

**Debbie Johnson**

*Central New Mexico Community College  
(Emeritus Member)*

**Dennis Jontz**

*Oso Grande Technologies, Inc.*

**Guido Kemp**

*US Bank*

**Treasurer: Mindy Koch**

*Intel Corporation*

**Leean Kravitz**

*Fidelity Investments*

**William P. Lang**

*Albuquerque Publishing Co.*

**Tony Lenhart**

*Eye Associates of New Mexico*

**Dan Long**

*Summit Electric Supply Co., Inc.*

**Mike Lowrimore**

*Bank of the West*

**Rick Marquardt**

*Jaynes Corporation*

**Sherman McCorkle**

*Sandia Science & Technology Park  
(Emeritus Member)*

**Roxanna Meyers**

*Century Sign Builders*

**Paul Mondragon**

*Bank of America*

**Bob Murphy**

*Economic Forum (Emeritus Member)*

**Megan Oblack**

*Lovelace Health System*

**Josh Parsons**

*Sandia National Laboratories*

**Don Power**

*Don Power Consulting (Emeritus Member)*

**Roberta Cooper Ramo**

*Modrall Sperling*

**Charles Rath**

*RS21*

**Secretary: Cesar Rodriguez**

*Tempur Production USA, LLC*

**Todd Sandman**

*Presbyterian*

**Chair-Elect: Cynthia Schultz**

*Bradbury Stamm Construction*

**Ryan Shell**

*New Mexico Gas Company*

**Ray Smith**

*Klinger Constructors, LLC*

**Ben Spencer**

*Titan Development*

**Bruce Stidworthy**

*Bohannon Huston*

**Don Tarry**

*Public Service Company of NM*

**Jennifer Thomas**

*Bank of Albuquerque*

**Janice Torrez**

*Blue Cross Blue Shield of New Mexico*

**Jack Towsley**

*DaVita Medical Group*

**JoLou Trujillo-Ottino**

*Delta Dental*

**Al Vaio**

*Vaio Resources, LLC (Emeritus Member)*

**Imm. Past Chair: Eric Weinstein**

*Aon*

# THANK YOU



**Danielle Casey**  
President & CEO  
[dcasey@abq.org](mailto:dcasey@abq.org)



@ABQEconDev

