

PREPARED BY SOUTHWEST NEW MEXICO
COUNCIL OF GOVERNMENTS

2015

Southwest New Mexico Green Energy and Jobs EDA Grant

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Economic Development Administration

Presented to the:

Rural and Economic Development Interim Committee

**SOUTHWEST NEW MEXICO
COUNCIL OF GOVERNMENTS**

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U.S. Senators Udall & Heinrich

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Southwest New Mexico Energy and Green Jobs Task Force

Background

Realizing businesses, consumers, and local government in Catron, Grant, Hidalgo, and Luna Counties had similar goals and challenges related to energy efficiency and renewable energy (EERE) and related economic growth, the Southwest New Mexico Energy and Green Jobs Task Force was convened by Senator Bingaman and his field staff in April of 2010. The Task Force brings together the wide range of entities that have a role in addressing EERE including local governments, federal and state agencies, businesses, financial institutions, educational and research institutions, non-profit organizations and interested constituents.

Immediate Priorities

Build capacity in the region through information sharing at a regional scale

- Every organization is resource limited. Sharing information and working together across the region creates economies of scale, reduces the time and effort necessary to create jobs and achieve energy goals, and makes the region more competitive.

Implement the region's energy efficiency and renewable energy vision and strategic plan

- The Task Force developed the Regional Strategic Plan for EERE and Associated Job Creation Plan, which was then adopted through resolutions of support from twelve local governments in southwest NM. The plan provides a realistic roadmap to help reach regional energy goals while being flexible enough to meet the needs of each community.

The following Plan recommendations address the most critical actions needed over the next one to five years:

- Create a Regional Office of Clean Energy Development and Sustainability.
- Increase energy efficient construction and retrofits for regional government and community buildings.
- Increase regional energy independence, price predictability, and economic development by promoting, supporting, and implementing large and small scale renewable energy electricity and fuel projects.
- Create standardized policies that further EERE that can be adopted across the region.
- Maintain, grow and develop new and existing regional financing mechanisms to support EERE projects.
- Enhance understanding of EERE regionally to promote demand for EERE, associated business development, and buying locally.
- Create a regional Entrepreneurial Development Association.
- Support regional and state economic development, entrepreneurship, and business support capacity.
- Align the needs of the regional workforce to be prepared for EERE industry growth and meet the needs of current employers.
- Evaluate and support transportation decisions and investments with EERE considered as an important factor.

Mission Statement

The Southwest New Mexico Energy and Green Jobs Task Force will serve as an open, effective, and ongoing forum through which a broad range of stakeholders will address regional challenges in (1) developing, prioritizing, and implementing renewable energy and energy efficiency initiatives and (2) creating green jobs on a sustained basis in Catron, Grant, Hidalgo, and Luna Counties in New Mexico. The Task Force will leverage the outside activities of member and other entities in a synergistic and non-duplicative manner while facilitating the dissemination of information, building additional capacity, creating strategic partnerships, and providing policy recommendations to Senator Udall, Senator Heinrich and others.

Participants to Date

(includes participation at meetings, excludes event attendance)

- Ambank
- Arrowhead Technology Incubator
- Bureau of Land Management
- Black Range RC&D
- Catron County
- Catron County Chamber of Commerce
- City of Bayard
- City of Deming
- City of Lordsburg
- Columbus Electric Coop
- Community Action Agency of So. New Mexico
- Congressman Teague staff
- Custom Steelworks
- Cyrq Energy
- Deming - Luna Economic Development
- Deming Public Schools
- Doña Ana Community College
- Freeport-McMoran
- Gila Economic Development Association
- Gila Resources Information Project
- Gila Woodnet
- Grant County
- Green Go Solar
- HELP New Mexico
- Hidalgo County
- Hidalgo County Economic Development
- Hidalgo Medical Services
- i-CAST
- Kerr Ranch Tours
- Lordsburg-Hidalgo Chamber of Commerce
- LPMTZ Company
- Luna County
- Medius, Inc.
- Murray Hotel
- Navopache Electric Coop
- NM Aging & Long Term Services Department
- New Mexico Commission for the Blind
- NM Department of Health
- NM Department of Energy & Natl Minerals
- NM Department of Workforce Solutions
- NM Economic Development Department
- NM Finance Authority
- NM Institute of Mining & Technology
- NM RETA
- NM Solar Energy Association - Silver City
- New Mexico State University
- Otero Economic Development Council
- Preferred Produce
- Public Service Company of NM
- Red Sky Hot Spring, LLC
- Reliable Marketing and media
- Restoration Technologies
- Sapphire Energy
- Senator Bingaman staff
- Senator Heinrich staff
- Senator Udall staff
- Silver City – Grant Chamber of Commerce
- Silver City Mayor’s Climate Protection Committee
- Small Business Development Center
- Southwest NM Council of Governments
- Southwest NM Green Chamber of Commerce
- SWNM Regional Housing & Community Development Corporation
- Southwestern Area Workforce Board
- SunZia
- Terrazas-Shultis Development
- The Solar Biz
- Town of Hurley
- Town of Silver City
- United Country Mimbres Realty
- USDA Farm Service Agency
- USDA Forest Service
- USDA Rural Development
- Village of Columbus
- Village of Reserve
- Village of Santa Clara
- Village of Virden
- VSI Matrix
- Wellness Coalition

- Western New Mexico University
- Zia Engineering

MEMORANDUM OF UNDERSTANDING
PROVIDING FOR ECONOMIC DEVELOPMENT

THIS AGREEMENT is by and between Catron County, New Mexico, Grant County, New Mexico, Hidalgo County, New Mexico, and Luna County, New Mexico, (Counties), the City of Deming, New Mexico, the City of Bayard, New Mexico, and the City of Lordsburg, New Mexico, (Cities), the Town of Hurley, New Mexico, the Town of Silver City, New Mexico, (Towns), and the Village of Columbus, New Mexico, the Village of Reserve, New Mexico, the Village Santa Clara, New Mexico, and the Village of Virden, New Mexico (Villages), and the SW New Mexico Council of Governments (SWNMCOG). It is agreed and understood that the Boards of County Commissioners, City Councils, Town Councils, Village Boards of Trustees, and the SWNMCOG Board of Directors shall act on behalf of the Counties, Cities, Towns, Villages and SWNMCOG respectively to plan and support regional economic development opportunities and projects to include efforts to form public and private partnerships.

WHEREAS, it is the opinion of the Counties, Cities, Towns, Villages, and the SWNMCOG that this Memorandum of Understanding will support regional strategies for new economic opportunities, will support the creation of jobs, and will enhance the quality of life in the region (Counties, Cities, Towns and Villages identified above).

PURPOSE AND SCOPE

THIS AGREEMENT is a result of the combined initiative of the Counties, Cities, Towns, Villages, and the SWNMCOG, such as the Southwest Regional Economic Development Partnership and the Southwest New Mexico Energy and Green Jobs Task Force. Its purpose is to

provide for the establishment of an orderly regional economic development process to facilitate economic, educational and general community development in our region.



Catron County

Catron County



City of Lordsburg

City of Lordsburg



Grant County

Grant County



Town of Hurley

Town of Hurley



Town of Silver City

Town of Silver City



Hidalgo County

Hidalgo County



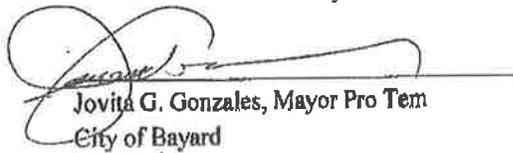
Luna County

Luna County



Mayor Village of Columbus

Village of Columbus

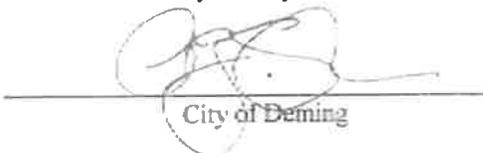


Jovita G. Gonzales, Mayor Pro Tem
City of Bayard

City of Bayard



Village of Reserve



City of Deming

City of Deming



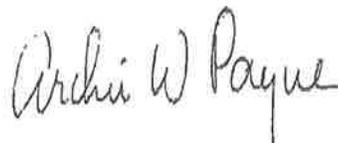
Richard Bauch, Mayor
Village of Santa Clara

Village of Santa Clara



Jovita G. Gonzales
Chair, Southwest New Mexico Council of
Governments

SW New Mexico Council of Governments



Village of Virden

**SCOPE OF WORK
SWNM COUNCIL OF GOVERNMENTS
EDA APPLICATION**

Project Description:

This investment will provide critical funding necessary to establish a Board of Directors and develop a Business Plan to organize the Regional Office of Clean Energy Development and Sustainability (Regional Office) and build capacity to implement the Southwest New Mexico Energy and Green Jobs Task Force's *Regional Plan for Energy Efficiency and Renewable Energy (EERE) and Associated Job Creation* (Regional Strategic Plan). Grant funding would also support rural entrepreneurship and business development in the region, with an emphasis on EERE-related business needs through the possible formation of a Regional Entrepreneurial Development Association (REDA). At this time, the intent is to look at hiring staff and contracting services to complete these tasks. New Mexico Tech will independently complete feasibility and planning studies on the creation of a small business incubator to complement these efforts. The region is defined as Luna, Hidalgo, Grant, and Catron Counties in southwest New Mexico.

Anticipated Project Activities:

1. Organize Structure of the Regional Office – The structure of the Regional Office will be determined through establishing a Board of Directors (Board) and developing a Business Plan, using the vision of the Regional Plan as a guide. The Board will oversee the proposed project, define the direction for the organization, explore possible organizational structures, and establish a policy based governance system through bylaws or memorandum of agreement. One of the main objectives of the Board will be to build capacity for the organization and to complete a Business Plan to ensure long term viability of the organization. The project includes an outreach component that emphasizes increased regional communication, collaboration, cooperation and confidence between all sectors (communities; businesses; educational institutions; energy providers; local, state and Federal organizations, etc.); leading to more cohesive, and therefore more successful approaches to economic development and job growth, with an emphasis on EERE-related endeavors.

The Regional Office, once established, will work toward developing, promoting, implementing and managing energy efficiency, conservation, and renewable energy projects and programs, and partner in jobs creation, as well as provide technical expertise to municipal governments, businesses and homeowners throughout the four-county region to accomplish the goals of the Regional Plan.

2. Support Rural Entrepreneurial Development in the Region – The proposed project will explore the formation of a Rural Entrepreneurial Development Association (REDA) by growing and formalizing an alliance of business and business support partners across the region. The alliance could serve as an ongoing forum for enhancing regional entrepreneurship and business development, retention and expansion of jobs with an emphasis on EERE-related business needs. The alliance could also identify barriers to EERE and other business success, formulate solutions, and help identify and develop practical ways to transform regional economic development efforts to include an understanding of the triple bottom line (economic, social, and environmental benefit).

complements both Southwest New Mexico Council of Government's 2010-2015 Comprehensive Economic Development Strategy and other economic development plans in the region and; the mission of the Southwest New Mexico Regional Economic Development Partnership, a Stronger Economies Together initiative (SET). In addition, this region came in 2nd in a National competition for the Promise Zone designation, reapplied in the 2nd round and is awaiting notification.

The projects for which funding is being requested are recommendations from the Regional Strategic Plan that the Task Force considers foundational to developing the capacity for achieving its goals. The projects are designed to leverage the activities of member and other entities in a synergistic and non-duplicative manner, build additional strategic partnerships, provide for the efficient coordination of existing efforts to ensure maximum impact, and conduct priority work and provide services that are not already being addressed in order to meet the region's shared goals and vision. Funding would allow for dedicated staff to significantly accelerate these activities.

Anticipated Outcomes:

- Increased regional communication, collaboration, cooperation and confidence leading to more cohesive, and therefore more successful approaches to planning, purchasing, and economic development;
- Development of projects that are affordable and demonstrate a return on investment (ROI) that can be effectively sustained over the appropriate life of the project;
- Development of projects that create jobs, expand the tax base and are valuable to the regional economy;
- Increased demand for EERE products and services, a critical component for increased entrepreneurship and job creation from within the region;
- Enhanced regional competitiveness with respect to the ability to: (1) attract new EERE and related businesses, and (2) compete for related funding alongside other entities with larger populations and resources (staff, finances, etc.);
- Increased start up rates as well as retention and expansion of existing EERE, sustainable, and other business leading to higher income potential across the region and reduced unemployment;
- Greater coordination of related activities and leveraging of funding to achieve incrementally greater outcomes in EERE, business success, and economic growth; and
- Economic development efforts that represent a balance of large projects that bring local and outside investment and grow local small businesses.

Work Plan

Task 1. Create a Regional Office of Clean Energy Development and Sustainability.
A. Finalize the SWNM Council of Governments as the Regional Office of Clean Energy Development and Sustainability to coordinate and manage the subtasks of this project.
B. Finalize stakeholder board that includes all sectors throughout the region.
C. Create Grant Coordinator Duties to include: <ol style="list-style-type: none"> 1. Outreach to businesses and local governments to expand the commitment to energy efficiency and renewable energies (EERE) and sustainable building practices. 2. Oversee contracts to ensure that the project is being fulfilled. 3. Attend relevant conferences/trade shows. 4. Do all reporting for grant purposes, to stakeholder board, and SWNMCOG board. 5. Coordination with entities that have funding/resources that support the implementation of the Strategic Plan. 6. Other activities that come about that are related.
D. Create a business plan with the stakeholder board to be approved by the SWNMCOG board.
Task 2. Increase energy efficient construction retrofits for government and community buildings.
A. Education/Awareness Program <ol style="list-style-type: none"> 1. Create an Education/Awareness Program to inform businesses and local governments of all energy efficiency programs and the ROI that can be expected when existing building are retrofitted and new construction in LEED approved. 2. Have every incorporated community and county select one building that can be used to find where money is being lost due to the lack of energy efficiency and the ROI after being retrofitted. 3. Hire a professional to do the estimates of the loss of money compared to the ROI. 4. Hire professional to retrofit the selected buildings.
B. Research state and local mandates for energy policies. <ol style="list-style-type: none"> 1. Find the gaps where local governments or businesses are not meeting the mandates. 2. Help fill the gaps in the mandates. 3. Help local governments adopt their own energy policies for future retrofitting/new construction through resolution if they do not already have their own policies.
C. Showcase all small businesses who sell Energy Star or build or built LEED approved structures throughout the region.
Task 3. Develop an information base of available resources to support EERE programs.
A. Create, manage, and maintain an inventory of current and projected financial incentives such as rebates, tax incentives, and other programs to ensure a continual awareness in the region.
B. Research relevant financial programs and options to encourage adoption of EERE initiatives in the region. <ol style="list-style-type: none"> 1. Residential energy audits 2. Weatherization programs 3. Retrofit money through USDA, NMFA, EPA 4. Tax Incentives 5. Rebates
Task 4. Create an environment that encourages investment in sustainable energy ventures. Promote and support large and small scale renewable and alternative energy projects.
A. Determine the best cost effective and energy efficient best practices applicable to the region through a risk vulnerability assessment and sustainability plan.
B. Inform and educate local energy providers, community/business leaders, and general public on the economic benefits of adopting policies that encourage investment in alternative energy and energy efficiency.
C. Promote and market the region as a progressive community to attract businesses that prioritize responsible and sustainable practices.

Task 5. Create a Regional Entrepreneurial Development Association
A. Establish a collaboration of businesses, higher education, financial institutions, SBDC, and community leaders to promote entrepreneurship and economic opportunities related to energy efficiency and renewable energy.
B. Work closely with existing economic development program, specifically design to help entrepreneurship, in the state to further develop emerging sustainable business opportunities in the region.
Task 6. Determine the feasibility of establishing a green business incubator.
A. Establish feasibility of a "green" business incubator/accelerator in the region.
B. Establish the incubator with the help of the Entrepreneurial Development Association to establish some of the potential businesses.
Task 7. Continue to develop financial resources to continue the EERE initiative after the EDA project is completed.
A. Actively seek funding opportunities for the regional office to continue to implement or extend the project.
B. During the special project grant period really obtain "buy in" not only from the local governments but from the business community as well.
Task 8. Prepare final report detailing the process as it was conducted.