

Advancing Site Readiness in New Mexico



Nationwide Distribution

36+ states have a site readiness program in place now, which include investments into site characterization analysis of public and private properties, as well as funding for predevelopment needs to get sites ready for development.



2024 State of Site Selection

82% of site consultants strongly agree that for industrial projects, the availability of development-ready sites with sufficient infrastructure capacity is the top location driver in 2024.

Examples and Cost Ranges of Qualified Predevelopment Activities:

- 1 Infrastructure Development**
\$500k – \$10m investment in infrastructure
- 2 Site Feasibility Analysis**
\$50k - 500k
- 3 Environmental Assessments**
\$25k - \$500k for environmental studies
- 4 Grading**
\$15k - 50k per acre
- 5 Average Site Size**
20 – 1,000 acres in size for industrial uses

Figures are per site and vary based on unique site attributes

Bold Economic Futures Require Bold Economic Investments

Consequences of Inaction

Employers and jobs will continue to choose competitor states for their investment

Percent of projects lost
due to inadequate site and
infrastructure readiness

30%



Unrealized Economic Returns

9,000 Direct Jobs Created
\$923 million Labor Income
\$280 million State Tax Revenue
\$370 million Local Tax Revenue

*Figures derived from state volume of economic development projects and applying regional averages for economic impacts by type.

Investment Profile

Jobs: 250
Industry: Fabricated Metal Manufacturing
Building Size: 300,000 Square Feet
Capital Investment: \$80 million

- \$30 million in land, building, and construction
- \$50 million in equipment

10-Year Return on Investment

State and Local Tax Revenue Generated

23:1

State Tax Revenue

\$20,864,170

Local Tax Revenue

\$25,879,500



10-Year Impact Metrics

Economic Output	-----	\$83.1 million
Jobs	-----	424
Payroll	-----	\$20.8 million
State Tax Revenue	-----	\$20.86 million
Local Tax Revenue	-----	\$25.88 million

The economic return on investment is calculated by dividing projected state and local tax revenue by the site readiness dollars invested into the site.

Program Elements and Return on Investment



Program Elements



Why the significant investment? What is the potential ROI?

Costs for each property can vary widely in infrastructure and site preparation needed to make it 'site ready' for the best use for the community and impact to economic development.

Using the development example on the previous page, millions in predevelopment and site characterization investment **could conservatively create billions in capital investment, thousands of jobs, and economic return on properties that otherwise will likely return no new net wealth or future career opportunities** as they sit fallow.

Compared to the investments being made in other states - many in the hundreds of millions - a \$20 to \$30 million investment cost is a comparatively conservative initial investment but one that will have a significant impact on New Mexico's economic future.

Core Components & Benefits of Site Readiness

- | | |
|--|---|
| <p>1 Site Characterization
A process used to evaluate a sites current level of development readiness.</p> | <p>2 Site Pre-Development Fund
Used to further develop site infrastructure and pre-development due diligence aligned to the previous characterization process.</p> |
|--|---|

- ✓ **Speed:** Businesses operate on tight timelines. A site readiness program accelerates processes such as land acquisition, permitting, and infrastructure development.
- ✓ **Simplicity:** Programs that offer clear site information and streamlined procedures reduce the complexity and potential confusion for companies.
- ✓ **Certainty:** Businesses need to know that essential components—zoning, utilities, and transport access—are reliable and in place, reducing risks and fostering a favorable investment climate.