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# Governor leans in for site readiness– but is it enough to attract investment?



The governor has recommended \$24 million for site-readiness.

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By [Leah March](#) – Santa Fe/Las Cruces Reporter , Albuquerque Business First  
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Governor Lujan-Grisham released her fiscal year 2026 budget priorities this month, including \$24 million for site-readiness and \$20 million in Local Economic Development Act (LEDA) funding.

“As New Mexico attracts businesses from around the globe, we must pursue initiatives and incentives to ensure our state remains a premier destination for economic growth and investment,” said Lujan-Grisham in the report. “This means preparing development-ready sites to support economic growth and sustain this momentum.”

The LEDA funding is intended to support expanding or relocating businesses that are Qualified Entities (entities with sufficient job contribution and economic spend).

Site-readiness has long been a hurdle to clear for development in the state: NMIDEA, New Mexico’s economic development professional association, cites a lack of available, ready sites for development, and the significant cost of public infrastructure needed to serve those sites as deterrents to investment in New Mexico.

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But the \$24 million recommended by the governor may not be enough: Danielle Casey, president of the Albuquerque Regional Economic Alliance (AREA) said on a panel this year that at least \$100 million in state-level funding is required for short-term site “pre-development” work. Beyond the initial \$100 million,

“longer term significant dollars” may be needed – \$500 million up to \$1 billion, according to AREA.

Mesilla Valley Economic Development Alliance (MVEDA) President Davin Lopez echoed this sentiment in an interview with Business First, saying “We need at least a \$100 million fund – a readiness fund – and it needs to be a predictable, transparent process with the timeline on it, and then make it as make it as flexible as possible so that it can be utilized to fund infrastructure to sites.”

“In order for us as a state to recruit businesses, we have to have sites available in various locations to give companies the opportunity to choose, so the site readiness fund is really needed in New Mexico,” says Jerry Pacheco, president of the Border Industrial Association.

Pacheco marked the Santa Teresa Industrial Area as a unique exception to the state-wide, site-readiness squeeze, saying, “in Santa Teresa, we tend to be pretty site ready, because we have four industrial parks with utilities already on them, but in the rest of the state that has been an issue.”

According to the Site Selectors Guild and Development Counsellors International – two global development associations – 82% of members strongly agree that the availability of development-ready sites was the top location driver in 2024 for industrial projects.

Other top factors for site-selection include workforce/labor availability, and availability utilities and infrastructure. For context, risk factors such as operating costs and state policy were dwarfed by site-readiness concerns– incurring about half of those votes.

Thirty-four states throughout the U.S. have state-appropriated site-readiness funds. In recent years, Ohio contributed \$750 million to site readiness, Virginia

\$200 million, and Kentucky \$100 million, according to the Site-Selection Group, a global commercial real estate consultancy firm.