

Breakout Room #3 - To take advantage of the state's location, respond to corporate needs and spread opportunity more broadly

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Specific strategies from New Mexico Chamber of Commerce "Driving New Mexico's Future: Empowering a Competitive Economy in a Post-Pandemic World":

Strengthen the State's Infrastructure

1. Enacted enabling legislation authorizing public-private partnerships (PPPs) for infrastructure. Across America, 38 states have enacted enabling legislation authorizing public-private partnerships (PPPs) for infrastructure. Most are for transportation projects, but many include other types of infrastructure. New Mexico has not adopted this type of PPP-enabling legislation. Florida's I-4 Ultimate PPP aims to complete major interstate upgrades –that would have taken 27 years under normal public sector funding –in about seven years. The \$2.3 billion I-4 Ultimate project in Orlando includes installing express toll lanes for 21 miles, replacing 140 bridges, and reconfiguring 15 major intersections. The 40-year contract includes Skanska and other private partners. The project started in 2015, and by mid-2020 it appeared that completing all work might take one year longer than originally planned.

PPP legislation for New Mexico should be broad enough to authorize public-private collaboration for transportation, water, sewer, broadband, and other infrastructure needs.

2. Create a Rail Spur Economic Development Matching Grant/Loan Program
 - Most rail infrastructure improvements in the United States have been made by the private sector, but even small-scale government incentives can encourage additional investments. Two program examples are from Michigan and North Carolina.
 - Michigan DOT's Freight Economic Development Program provides low-interest loans to businesses for rail infrastructure such as spur tracks. Michigan will provide up to 50 percent of a rail infrastructure project's cost. Loans have a five-year repayment period but can be forgiven (converted to grants) if the company meets agreed-upon annual shipping levels.
 - North Carolina DOT's Rail Industrial Access Program offers grants to a new or expanding company of up to 50 percent of a project's cost, and up to \$200,000 per project. Grants are to help construct or refurbish rail spur tracks.
3. Create a competitive Rural Development Grant Fund to help rural communities support economic development product building and marketing
 - The rural areas of New Mexico are facing many headwinds that are stifling growth. New businesses and jobs are critical to the viability of many communities. Eligible grant fund uses would be broad to accommodate tailored local opportunities, but could include

infrastructure, buildings and sites, marketing for economic development and tourism, small business assistance and ecosystem support, and incubator development.

- In the province of Ontario, Canada, the Ontario Rural Economic Development (RED) program provides grants to rural localities in two broad categories:
 1. The Economic Diversification and Competitiveness Stream is for business retention and expansion, entrepreneurship, workforce, and technology adoption projects.
 2. The Strategic Economic Infrastructure Stream is for projects such as redevelopment of vacant buildings and rehabilitation of cultural and tourism attractions.