



ECONOMIC DEVELOPMENT IN THE BORDER REGION

LEGISLATIVE FINANCE COMMITTEE

LAS CRUCES: JUNE 27, 2023

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CURRENT PROJECTS

Focus on demonstrating significant progress in 2023

Border Highway Connector

- State and Federal Appropriations: up to \$100 M in construction funding
- Phase A Study Complete, Phase B underway to be completed Dec. 2023
- \$2M for a second phase to connect at TX stateline
- Necessary for the types of projects associated with EV manufacturing

JetPort

- Up to \$15M for phase I improvements including runway/taxiways/customs facilities to accommodate commercial cargo
- \$5M for planning/ROW/design of a larger commercial runway
- Supporting private investments in warehousing etc.

New POE: expansion/modernization

- \$500K for feasibility
- New commitment to complete by end of 2023
- Request design \$ in next year's budget
- Construction: 2027

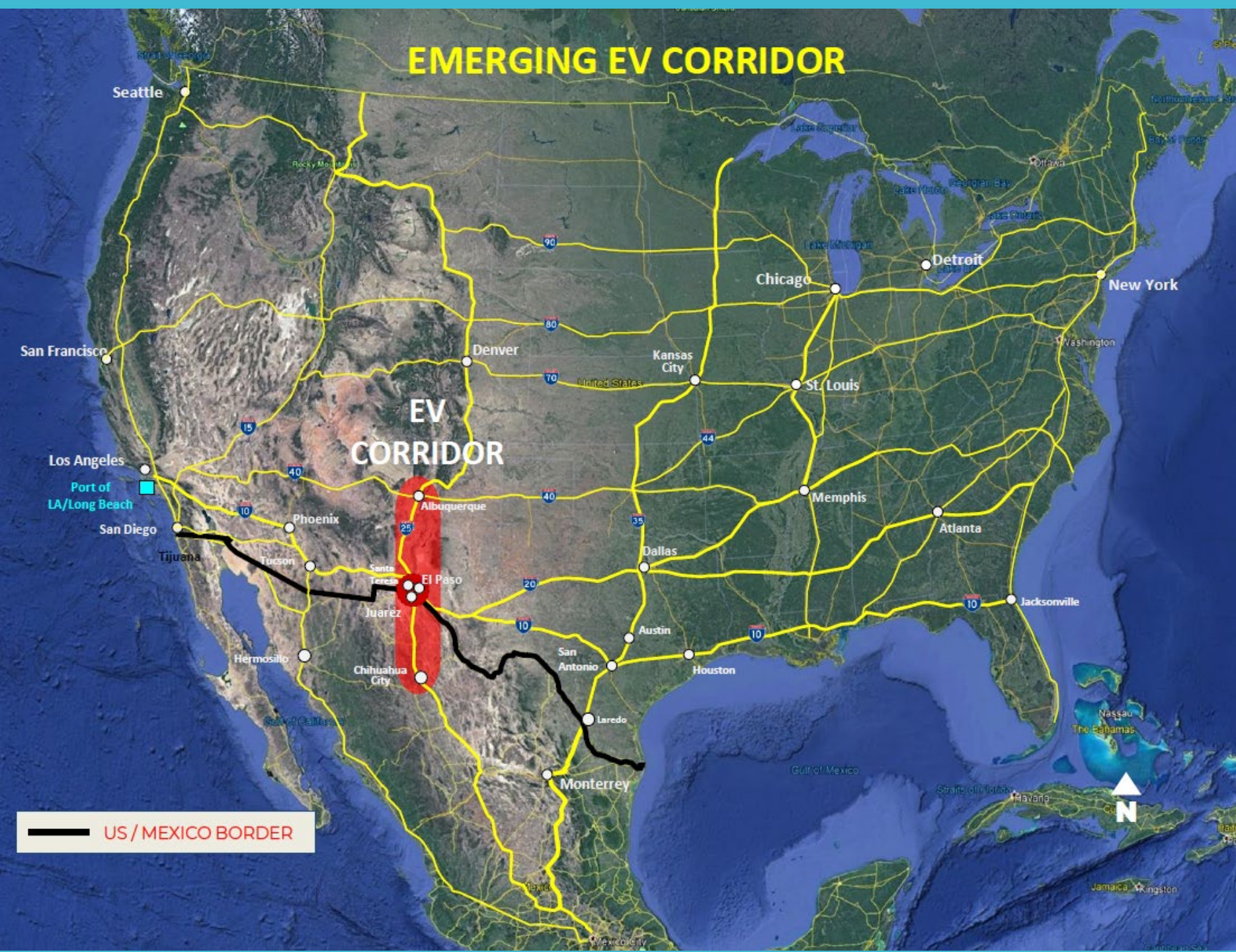
New Funding in 2023 session

- \$50M to EDD for border planning and infrastructure projects, advanced energy, and energy transition
 - Approx. \$13.25M in transfers to other agencies
- Supporting development of a master-planned community/DAC approved
- Working on a strategic plan with detailed economic benefits of specific investments

OBSTACLES & OPPORTUNITIES

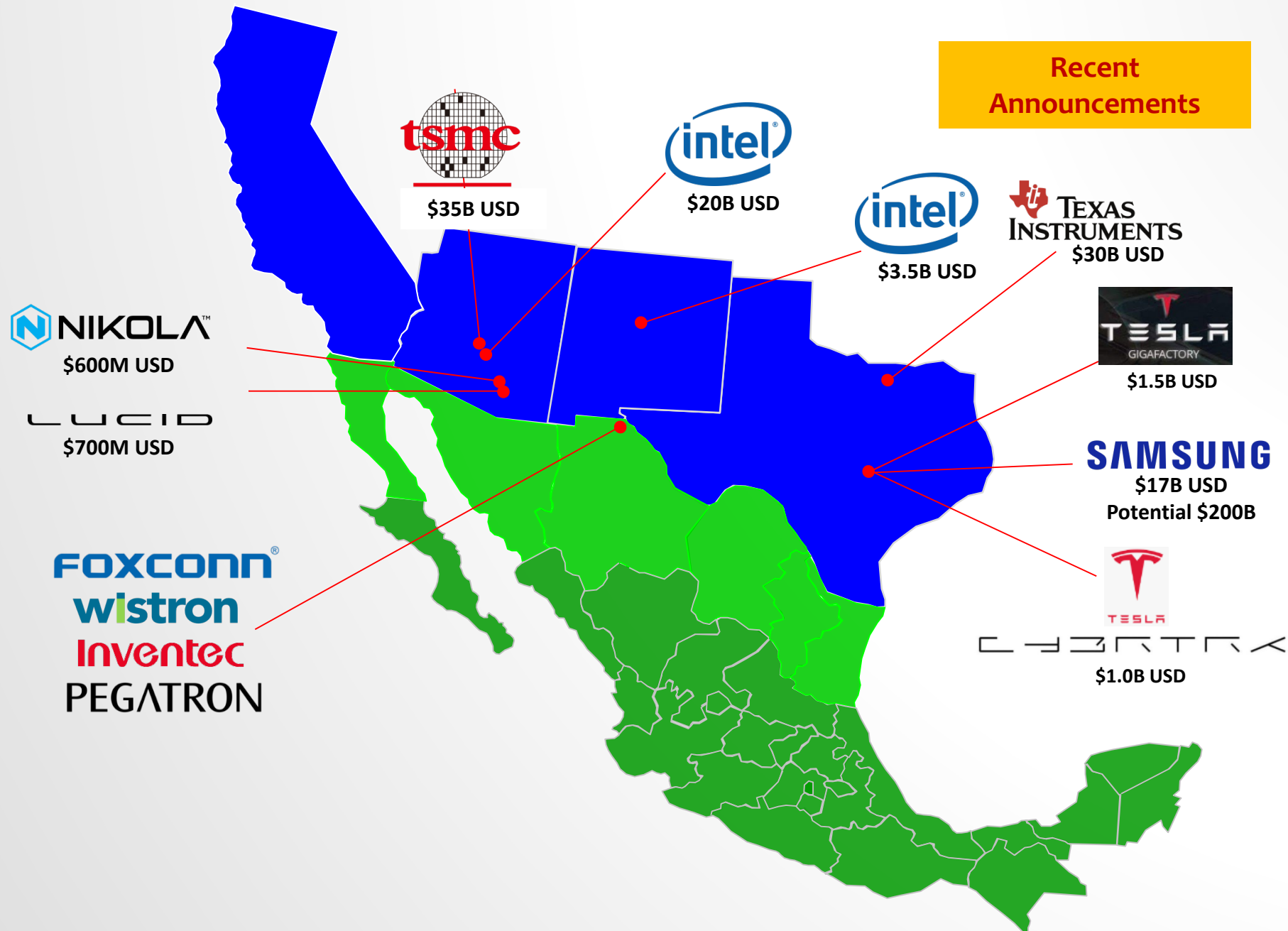
- Working with Chihuahua on EV manufacturing corridor
 - Past two years: several EV component manufacturers/suppliers have visited and reached various levels of interest in operations in CH/NM
 - FoxConn entering EV manufacturing market
 - NM does not have resources on its own to attract this investment but with CH, the numbers work
 - Utilize existing investments
 - Make additional investments/commitments to support specific development
 - Coordinate improvements for Columbus/Luna County
 - Requires regional approach: regionalization not globalization
 - Fits with nearshoring, reshoring, allyshoring models
 - USMCA and US-China, China-Taiwan geopolitics
 - Tariffs, BIL, IRA
 - NM Trade Office in Taiwan

EMERGING EV CORRIDOR



— US / MEXICO BORDER

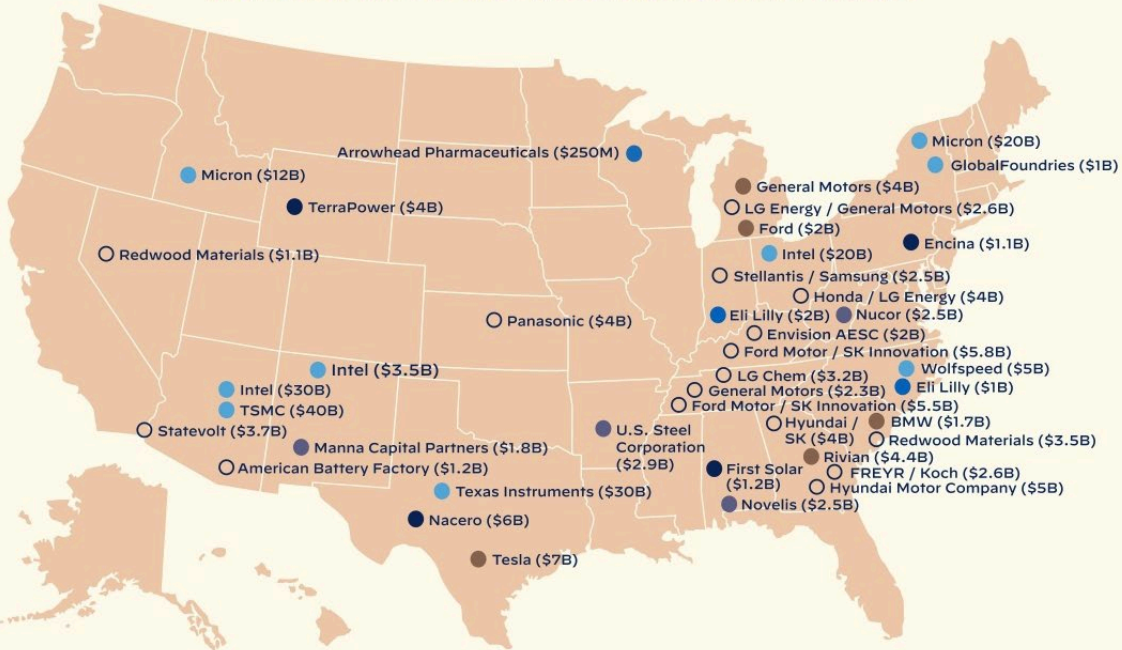
Major ICT/EV Industry Cluster forming in US/Mexico Border States





U.S. MANUFACTURING IS ON THE RISE

Companies are responding to President Biden's investments in the industries of the future



OTHER \$1B+ INVESTMENTS

(Sites to be determined)

- SK Group (\$22B)
- Volkswagen (\$7.1B)
- Cytiva / Pall Corp (\$1.5B)
- CubicPV (\$1B)

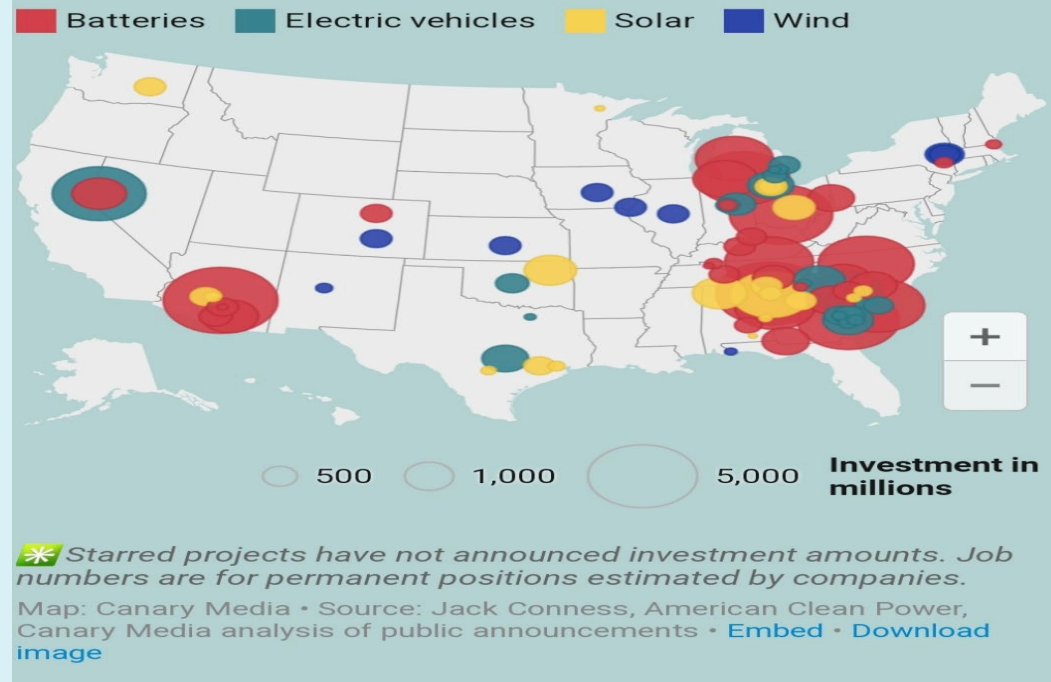
LEGEND

- Battery Factory (\$53B)
- Auto/Electric Vehicle Plant (\$26.2B)
- Semiconductor Fab (\$183.5B)
- Biomanufacturing Facility (\$4.75B)
- Steel and Aluminum (\$9.7B)
- Other Clean Energy (\$13.3B)

Source: Reshoring Initiative, ZETA, SIA, and Alliance for Automotive Innovation
Note: Initial snapshot of just some of the companies announcing major investments in the U.S. since 2021.

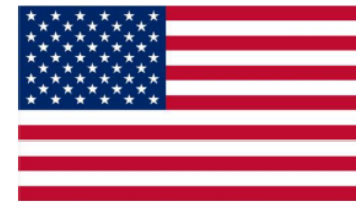
Clean energy manufacturing projects announced since Inflation Reduction Act passage

New planned factories or expansions unveiled from August 2022 to May 2023



- Rapidly evolving space
- Time sensitive business decisions
- Infrastructure availability drives decisions
- Private investment supported by public investments

NEW MEXICO STRATEGY

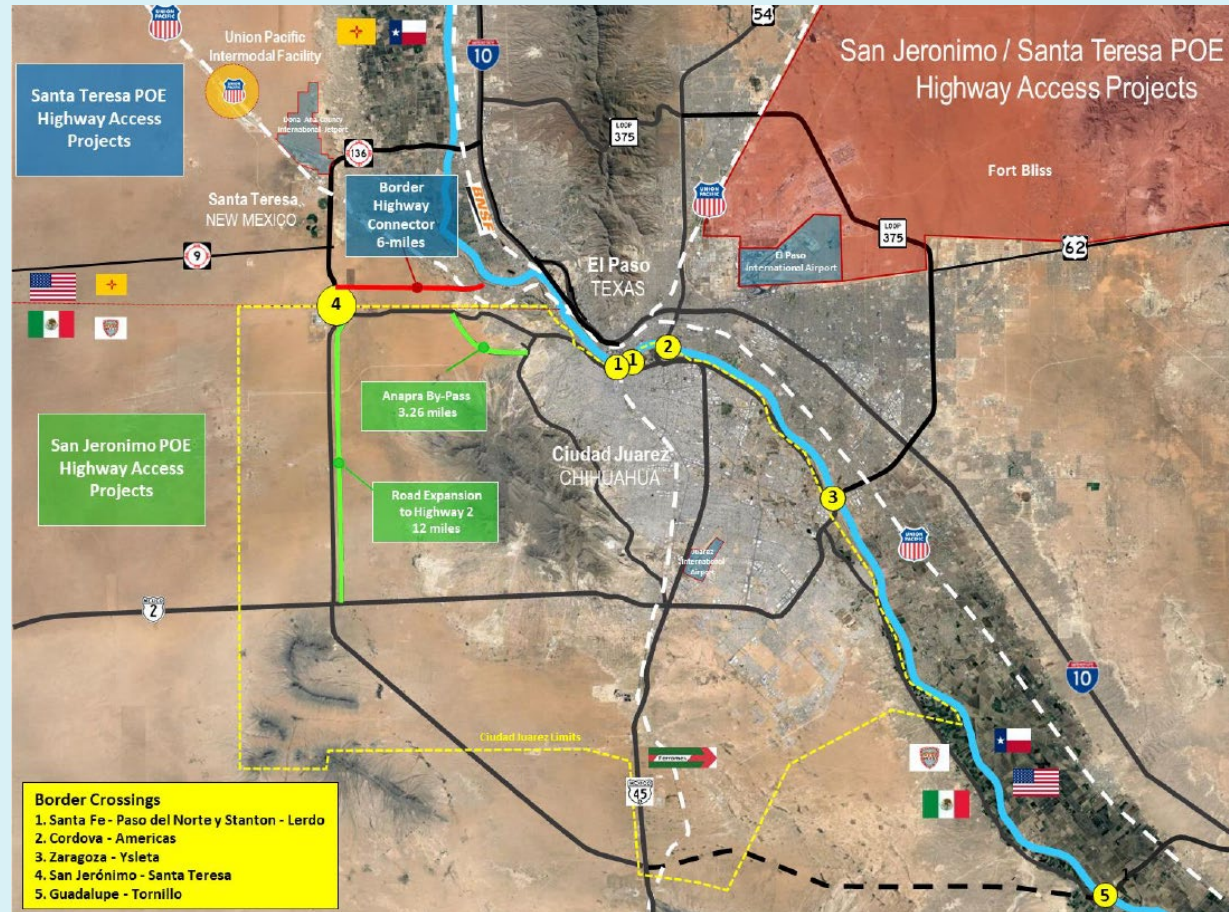


SJSTPOE
an unlimited and efficient border crossing

**Port Modernization
& Expansion**



NEW MEXICO STRATEGY



OTHER NEEDS AND OPPORTUNITIES

- Water/Wastewater: capacity, treatment, desalination, storage
- Electricity, including competitive rates
- Strategic Plan
 - Project priorities and updated cost estimates
 - Calculate return on investments, e.g. taxes generated, jobs, potential for attracting specific industries
 - Build on existing industries in the Borderplex
 - Utilize Foreign-Trade Zone (FTZ): connect to USMCA and leverage newly announced US-Taiwan Initiative on 21st Century Trade
 - Develop plans for Santa Teresa and Columbus POEs based on existing operations and future projects, e.g. lithium in Sonora and expanding ag

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