



EDD

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EDD Awards Rural Infrastructure Grant to San Juan County

\$1.8M LEDA assistance to revitalize industrial park

SANTA FE, N.M. – The State of New Mexico has approved a rural infrastructure grant from the LEDA fund to San Juan County for a key improvement at the publicly-owned industrial park, Economic Development Cabinet Alicia J. Keyes announced today.

The \$1.82 million from the Local Economic Development Act (LEDA) job-creation fund will assist in extending a natural gas pipeline 11 miles along Highway 170 to the San Juan County Industrial Park in La Plata, N.M. The infrastructure improvement is part of a major redevelopment effort by San Juan County to improve the commercial property so it can be leased to new businesses.

The San Juan County infrastructure grant is the fourth of its kind under a forward-looking program initiated by the New Mexico Economic Development Department and backed by Gov. Michelle Lujan Grisham to provide more economic assistance to rural communities. Rural areas in New Mexico do not have the same tax resources as larger cities and often require extra help to prepare publicly-owned sites so they can be more competitive and shovel ready as

businesses scout locations to relocate or expand.

The San Juan County Commission has targeted the 190-acre property, 18 miles north of Farmington on Highway 170, for 600 new jobs over the next several years.

“This project is an innovative, strategic investment of state LEDA dollars that will expand economic capacity in a rural community and create hundreds of jobs,” Cabinet Secretary Keyes said.

The state LEDA money will be part of a \$4.1 million package of improvements that includes broadband, water/fire suppression, office upgrades, roofing, lighting, security, and HVAC. The county is contributing \$700,000, about 20% of the project’s costs.

Former tenants indicated to the county that they were paying more in propane costs at the industrial park than in rent, so extending natural gas makes the industrial park far more appealing as a business location.

“The natural gas line investment by the state Economic Development Department is a big win for expanding economic opportunities at the San Juan County Industrial Park as well the entire La Plata valley corridor,” County Commission Chair Terri Fortner said. “Upon completion of the project, San Juan County will have the finest industrial manufacturing space to offer in the Four Corners.”

The property is the former site of a coal mining company headquarters that closed in 2006. The county acquired the land, a 42,000-square-foot building, offices, and ancillary buildings, from BHP Billiton and the U.S. Bureau of Land Management in 2007.

San Juan County entered into a 10-year lease with PESCO, which utilized the space for manufacturing oil and gas equipment until 2019. Another manufacturing tenant was ready to occupy the facility in early 2020, however, complications from the COVID pandemic quickly ended lease negotiations and the facility has remained unoccupied.

As an affected coal community, San Juan County sees continued use and expansion of the industrial park as an economic driver in replacing the loss of high-paying economic-based coal jobs.

The LEDA investment to extend natural gas to the rural areas can also potentially benefit residents along the corridor who would now have access to the utility for household uses.

“All of us who live in the La Plata River Valley are delighted and excited with the announcement that San Juan County has acquired \$1.8 million in state LEDA funding to pay for extending natural gas service to our community,” area property owner Steve Dunn said. “This project will provide a cost-effective alternative to propane for homeowners and help attract economic development. We’ve been waiting a long time for this to happen, and we are grateful to the governor and Economic Development Department to make this important project a reality.”

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Exterior and interior photos of the San Juan County Industrial Park. Courtesy of San Juan County

The New Mexico Economic Development Department's mission is to improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive.

New Mexico Economic Development Department

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