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State invests in Timber and Sawmill project Forest Products firm will boost economy of Northeast New Mexico

CIMARRON – The State of New Mexico is investing \$350,000 in Lance Forest Products LLC, which is relocating a sawmill business to Cimarron as part of an effort to reinvigorate the timber sector in Northeast New Mexico.

Lance Forest Products is expected to hire at least 40 employees for the sawmill operations, with about an equal number of employees under contract to log the forests and deliver the timber and other products. Lance Forest Products will be located in Colfax County where another mill was destroyed by fire. The company is relocating from Northern California.

Lance Forest Products has agreements in place with Northern New Mexico ranches for timber harvesting and thinning. This important work will improve forest health and reduce the risk of damaging wildfire in some of the state's most popular outdoor recreation areas. Last year, the Ute Park Fire burned 36,000 acres, destroyed 14 buildings, and forced evacuations in Cimarron and Ute Park.

The Village of Cimarron also plans to develop an industrial park around the new sawmill to serve businesses that can use wood products for furniture and pellets.

Boosting the agricultural, forestry, and value-added business sectors is a priority for Gov. Michelle Lujan Grisham and Economic Development Cabinet Secretary Alicia J. Keyes as the state moves to diversify its economy.

“We are delighted to welcome Lance Forest Products to New Mexico,” Gov. Lujan Grisham said. “This company will revitalize the forest restoration economy in Cimarron, restoring confidence in the community, bringing needed jobs, and improving forest resilience to climate change. It's a win-win for all.”

“This has been a great team effort to build and develop this business in a place with a long history of forest management,” Cabinet Secretary Keyes said. “These workers will now have more opportunities close to where they live. We are building an industry to support ecological restoration and creating wealth in rural New Mexico.”

“Every job in New Mexico is important, especially in small communities,” State Forester Laura McCarthy said. “The addition of this sawmill in Cimarron is a testament to the sustainable management of the large private forest land holdings in this area, and will

provide a critical incentive to restore forests across ownership boundaries.”

Along with their father, owners John and Art Lance have more than 60 years in the wood products industry and have been buying and selling lumber in Northern California, Southern Oregon, and Colorado for a quarter century. The family has built and operated three saw mill operations, including Warner Mountain Lumber in Alturas, CA.

John Lance said they are familiar with the region, having harvested on the Vermejo Park Ranch and Trinidad, while owning a sawmill in Pagosa Springs. Lance sees a great opportunity in Cimarron, which is centrally located to meet the demand for studs in the building markets of Denver, Oklahoma City, Albuquerque, Texas, and Colorado Springs.

“There is a lot of demand for studs in the housing market,” John Lance said. “Because of the location in Northern New Mexico, we will be closer to many of the larger markets being serviced off the West Coast, thereby giving us a distinct advantage in freight costs. That’s a big benefit.”

The family plans to invest \$3 million in Cimarron and pay employees \$15 to \$18 an hour. In addition to the direct jobs, the company will hire contract workers, such as loggers, foresters, and truck drivers.

Colfax County Commissioner Landon Newton said there was a mill at the site for many years and earning a living working in the woods is a tradition in the region.

“This will be a positive thing for the community, a lot of people have been working hard to make this happen.”

This announcement by Lance Forest Products comes at the same time that New Mexico is grappling with the impacts of a court-ordered injunction on timber harvest in Mexican Spotted Owl habitat on the National Forests. Very little of the forested land in Colfax County is National Forest, making the new sawmill a timely investment and providing a beacon of hope for the forest industry.

The Lances are planning to relocate \$1.2 million of equipment to Northern New Mexico by rail or truck and expect to begin operations by mid-2020.

Assistance for the project has also been obtained from the Clearinghouse Community Development Financial Institution and The Grants Collective, an Albuquerque-based non-profit whose mission is to bring more financial resources to New Mexico to finance impactful community projects.

“Through The Grants Collective’s Grow New Mexico program we are providing project advisory services to Lance Forest Products and various Cimarron community partners. We helped bring together public, non-profit, and private funders to finance the project,” said Terry Brunner, CEO of The Grants Collective.

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Pictured left to right: Secy Alicia J. Keyes, John Lance, Julie Phillips Puckett.

The New Mexico Economic Development Department's mission is to enhance and leverage a competitive environment to create jobs, develop the tax base and provide incentives for business development.

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