

Annual Report

2019-2020



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EC: Energy Committee
FC: Finance Committee

LC: Legislative Committee
MC: Membership Committee

With many global and local changes throughout 2019-2020, the Economic Development Corporation of Lea County (EDCLC) remained a valuable asset to the further development and diversification of the Lea County economy. The EDCLC continues our mission of diversification with expanded interest from companies in solar, nuclear, manufacturing, and more announcing Lea County as their new homes or continuing to compete in their selection process.

Oil and gas remains the cornerstone of the Lea County economy with record-breaking production and activity throughout 2019 and early 2020. While oil and gas has seen a recent slowdown, Lea County is still one of the places to be for oil production within the United States. Companies such as Spinnaker Oilfield Services chose to locate in Lea County, building an entirely new facility west of Hobbs and intending to employ as many as 100 employees.

Beyond oil and gas, healthcare continues to be a growing industry within Lea County as Covenant Health officially announced the location of a new 40+ bed hospital in north Hobbs. This \$70+ million facility is set to break ground in summer 2020 and will offer a wide range of healthcare services to the area. The EDCLC is excited for the opportunities this creates as Lea County becomes the hub for healthcare services in the region.



The EDCLC continues to work with nuclear companies including Holtec HI-STORE and Eden Radioisotopes

to locate their facilities within Lea County. These projects will bring well-paying, secure jobs to the region, independent of oil and gas production. Both companies made significant progress during the last year to move the projects forward.



In addition to business development, the EDCLC also continues to work on projects including housing and workforce development. The EDCLC met with several housing developers, contractors, and housing associations to find creative solutions to the region's housing issues. The EDCLC also continues to work with



the Hobbs Municipal Schools on their new Career-Technical Education school to develop curriculum according to what local industries are asking for.

There is a lot of interest in Lea County in many industry sectors and the EDCLC will continue working on projects intended to diversify our local economy. As these projects come to fruition, the EDCLC is eager to see the progress made and the impact on Lea County and surrounding communities.

COVID-19 Resources for Businesses

It has been an unusual year with the new COVID-19 pandemic changing the landscape of economic development and how businesses run. The EDCLC has been working hard to help all our local businesses get the help they need to stay in business.

In the wake of COVID-19 and ongoing oil price fluctuations due to oil price wars and global oversupply, state and national governments have come together to create emergency funding for businesses including loans, loan guarantees, unemployment policy changes, and more to ensure businesses both large and small will survive this unexpected change in the economy. The State of New Mexico has created a Rapid Response Taskforce, a collaboration between the NM Economic Development Department (NMEDD), NM Department of Workforce Solutions, and Tourism Department to help businesses get the answers they need to their particular questions.

In addition, there are loan guarantees available from NMEDD, and Workforce Solutions has waived work search requirements for unemployment benefits. New Mexico State Investment Council created the New



Mexico Recovery fund which will offer loans at a low-interest rate. Federally, there are several low-interest loan options from the Small Business Administration, USDA, and the U.S. Congress passed the CARES Act, which will provide financial relief for small businesses (under 500 employees) as well as employees, including self-employed and gig workers.

The EDCLC's main goal at this time is to help our local businesses get the resources they need. We support our business community and want to make sure resources are available to those that need it. The EDCLC has created a COVID-19 response page with links to all relevant resources for businesses: www.edclc.org/covid19/. Information regarding loan programs, unemployment changes, as well as question submissions to the Rapid Response Taskforce may be found on the page.

If you have any questions about programs, loan options, or other business-related items, please don't hesitate to reach out to the EDCLC about what we can do for you. It is our intention to get back to business soon and continue to thrive.

Lea County, as well as attending trade shows such as Process Expo, Economix, and sales missions in Chicago, Los Angeles, Detroit, and Cleveland. The EDCLC also co-hosted a site selector visit with the NM Partnership in late February. If funding is available, the EDCLC expects to reapply in the coming months for fiscal year 20-21.

Marketing in Lea County

Marketing Lea County to outside entities is one of the most important activities the EDCLC takes on as it allows us to spread brand recognition and make connections with companies looking to expand or relocate. This non-traditional marketing is a way to create and maintain relationships between site selectors, business owners, and CEOs of large corporations. Getting the word out there increases our odds at landing projects in the future.

This year, the EDCLC attended four trade shows including manufacturing show, the Process Expo, Economix, a site selectors networking conference, International Asset Management Council, and International Council of Shopping Centers (ICSC). These shows allow us to meet face to face with companies interested in expanding or relocating. Due to COVID-19, many spring and summer shows were canceled or postponed. The EDCLC provides information and follows up on leads generated from trade shows in order to attract businesses to the area.

The EDCLC also continued our annual visits to energy company headquarters and site selectors.

This year, we visited Denver, CO and met with CEOs of companies including Xcel Energy and Three Bear Energy. In addition, the EDCLC joined the New Mexico Partnership on their sales mission trips to Chicago, IL, Los Angeles, CA, and Cleveland/Detroit where we met directly with site selectors to discuss New Mexico and Lea County's opportunities. These visits have been successful in the past to garner renewed and continued interest in Lea County and encourage companies to expand their operations in Lea County.

Marketing Lea County is an important task that the EDCLC continues to do in many ways, through trade shows, conferences, and headquarter visits. These trips are a great way to make connections and create relationships for future projects. The EDCLC continues to look for the best marketing outlets in order to maximize success in our efforts.



LEADS Grant for Business Attraction

For the fourth year, the EDCLC received the LEADS grant from the State of New Mexico, an economic development grant to help with specific initiatives. This year, the EDCLC received \$20,000 to be applied to projects such as energy headquarter visits, trade shows, and a site selector visit. The EDCLC used the funds to help us travel to Denver, CO to talk with energy company executives about their operations in

Staff Training and Development

Learning new skills is an important part of staff development and training, and this year, the EDCLC staff attended several classes and informative sessions to increase knowledge and efficiency.

This year, Missi Currier attended the International Economic Development Council's Annual Conference to learn more about economic development best practices.

Throughout the year, EDCLC staff also attended

several informational sessions including sessions on Google Business, NM Tourism Department trainings, and Chamber luncheons where businesses spoke about their progress and projects. Tammie Brooks participated in and graduated from the Maddox Leadership Institute program. Staff also attended NM IDEA meetings, which present information on economic development topics and encourage networking with other economic development professionals.

EnergyPlex Conference



The third annual NM EnergyPlex Conference took place last June and continued to be a growing event with over 260 attendees, an increase from the year before. 2019's event included speakers such as Tim Parker with the NM Department of Transportation, Sarah Cottrell Propst, Cabinet Secretary for NM Energy, Minerals and Natural Resources Department, Tim Spisak, Acting State Director/NM Bureau of Land Management, as well as representatives from companies including XTO Energy, Chase Energy Services, Lucid Energy, and DCP Midstream.

Presenters spoke on the local and regional energy industries including oil and gas, nuclear, and alternative energy. The speakers also gave updates on policy changes and answered questions relating to businesses and energy rulings.



Unfortunately, due to the COVID-19 pandemic, EnergyPlex Conference 2020 has been postponed to a later date. We will keep everyone updated as plans change. Please visit our website, energyplexconference.org, for more information as it is made available.



Legislative Relations in Lea County

The EDCLC is committed to helping New Mexico become more business-friendly through legislation and creating and maintaining relationships with State officials while encouraging them to consider Lea County when making decisions. In this year's 30-day session, the EDCLC went to Santa Fe to speak with key decision-makers and state departments including Energy, Minerals and Natural Resources Department, Economic Development Department, Department of Transportation, State Land Office, Department of Education, and more.

Along with visits to State leaders, EDCLC staff participated in Job Creator's Day, a day in which economic developers from around the state tour the capitol and visit with legislators to discuss the importance of incentives such as JTIP and LEDA.

Throughout the year, the EDCLC met repeatedly with State leadership to cultivate relationships as well as move projects and initiatives forward including the Economic Development Department, Department of Transportation, and Department of Workforce Solutions. Continuing these relationships is an important part of the EDCLC's mission to influence and encourage economic development efforts within the State and County.



New Mexico Partnership Holds Familiarization Tour in Hobbs, NM

In February, the EDCLC partnered with the New Mexico Partnership to host their very first industry-specific site selector tour in Lea County. Four site selectors specializing in energy came to Lea County where they engaged with economic developers from the region, learned about southeastern New Mexico's energy industries and toured several manufacturing facilities including Watson-Hopper and Urenco USA. The site selectors were impressed by the amount of activity occurring in Lea County and the possibilities for future business.



The site selectors spent three days in Lea County, touring The CORE, visiting New Mexico Junior College's Workforce Training & Outreach Center, networking with local businesses, and offering insight into how a community can position itself in the competitive world of site selection.



This year, FlyHobbs has soared to new heights with a rise in ridership as well as a new destination in Denver, CO. Denver was an exciting addition, a long time coming, which helped open FlyHobbs up to hundreds of

new destinations on United.

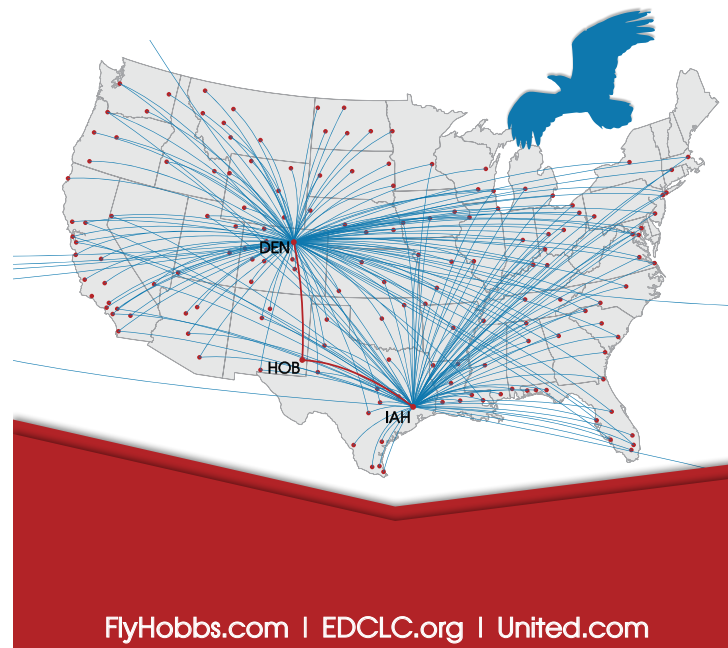
In October of this year, FlyHobbs began its first service from Hobbs to Denver on United Airlines. City and County leadership, as well as EDCLC Board Members, were able to take the first flight to Denver. The EDCLC and FlyHobbs hosted a kick-off event in Denver for Lea County representatives along with local Denver businesses and officials.

Ridership continues to grow with the help of marketing partner, Wilson Binkley. The addition of the Denver flight helped to ease some of the demand on the Houston flight as well as bringing down flight prices which had risen with the demand.

In the wake of the COVID-19 pandemic, FlyHobbs has reduced flights; however, discussions are ongoing on the timeline to bring flights back to their previous levels.



Nonstop Flights to Denver & Houston



FlyHobbs.com | EDCLC.org | United.com



FlyHobbs participated in many events this year including Western Heritage Museum's Christmas around the World display, the City of Eunice's Business Meet & Greet, Lea County Fair & Rodeo, and gave away many free flight vouchers to various organizations within Lea County.

As the economy continues to grow, FlyHobbs grows with it and continues to help connect people all over the world with Lea County, New Mexico.



Certificate Plus

Devon Energy
Martin Boot Company

Tate Branch Hobbs
United Realty

UUSA
Xcel Energy

Certificate

Apache
Carr, Riggs, & Ingram
Chevron Products Co.
Cimarex Energy
Concho Resources, Inc.
Covenant Health
Daniels Insurance, Inc.
Del Norte Heights, Inc.
EOG Resources, Inc.
First American Bank
First American Title Insurance Co.
Forrest Tire, Inc.
Geo Group, Inc.
Global Water Solutions
Goff Dairy, LLC
Hobbs News Sun
Holtec International
Ingram Professional Services, Inc.

International Isotopes
Intrepid Potash New Mexico, LLC
Jaco Financial
Jaynes Corporation
Johnson, Miller and Co.
Klein Automation & Electric, Inc
Lea County Concrete/Ready Mix
Lea County State Bank
Leaco Rural Telephone Cooperative
Leavell Insurance, Inc.
Lucid Energy
McVay Drilling
Merrill Lynch
Me-Tex Oil & Gas, Inc.
Nor-Lea Hospital
Nuclear Waste Partnership LLC
Occidental Petroleum USA, Inc.

Pettigrew & Associates, P.A.
Pioneer Bank
PolyNatura Corp
Purestream
RMS Foods, Inc.
Robinson & Associates Real Estate
Schubert Construction
Souder Miller & Associates
Suerte Land Group, LLC
TDS Broadband
Watson Truck and Supply
Wells Fargo Bank
Western Commerce Bank
XTO Energy
Zia Natural Gas Company
Zia Park Hotel, Racetrack & Casino

Associate

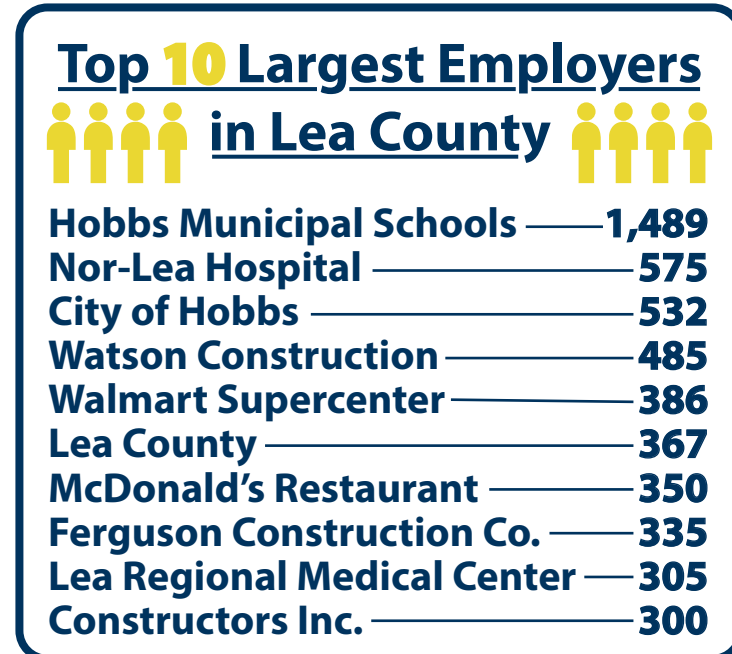
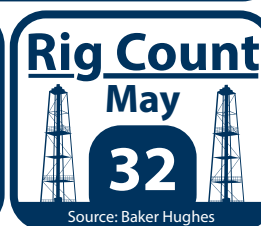
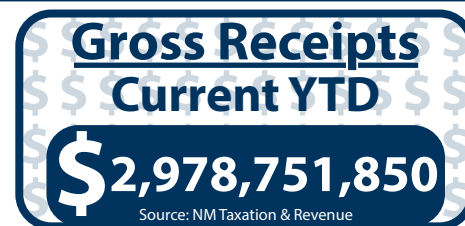
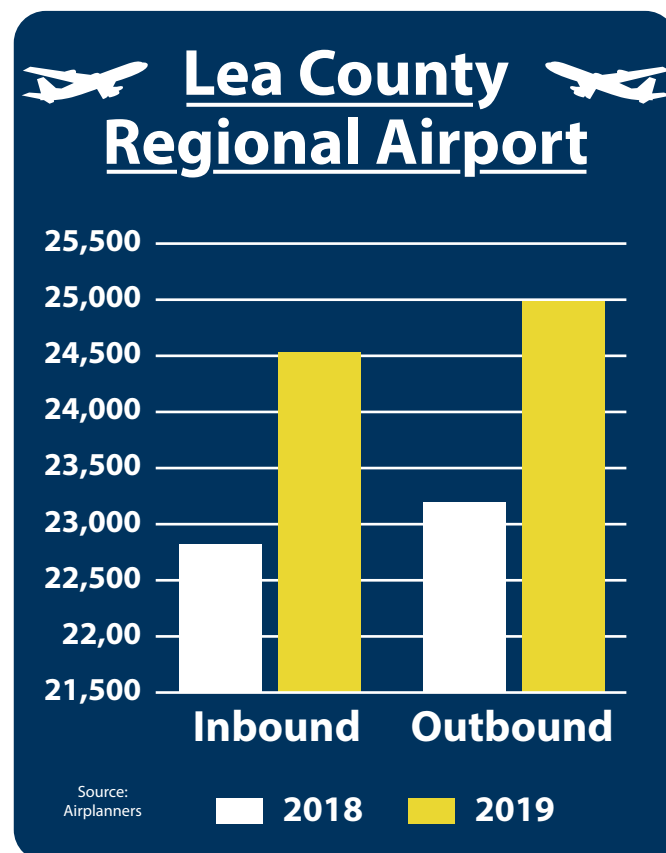
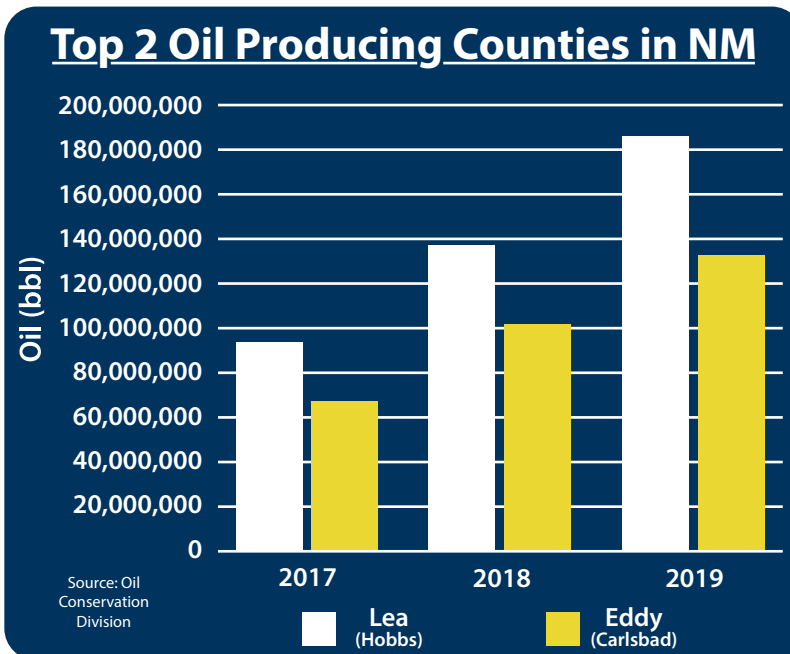
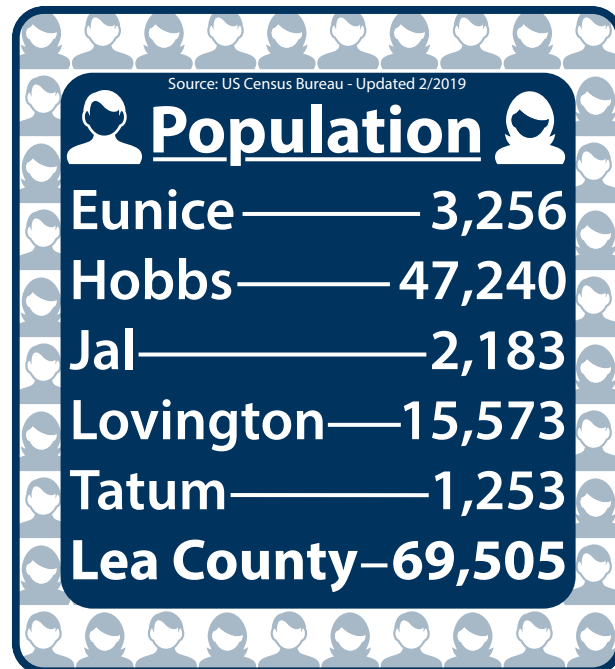
Angell Ranch
Baymont Inn & Suites
Bender Plaza Properties, LLC
ConocoPhillips
CORE Realty Group
Estacado Federal Credit Union
Invenergy Solar Development
Kassis Enterprise, LLC

Lea Power Partners
Lucky Family of Excellence
New Mexico Oil & Gas Association – NMOGA
Noalmark Broadcasting Corp. – Hobbs
Rental Self Service Storage
Rice Operating Co.

Richards Energy Compression, LLC
Schlumberger
Spinnaker Oilfield Services, LLC
TownPlace Suites
United Rentals
Windscape Apartments
Youngs Homes

New Members

Economic Indicators



Oil & Gas | Nuclear | Wind | Solar | Manufacturing | Logistics

EnergyPlex®

Lea County, New Mexico



Lea County is the **EnergyPlex**, dedicated to the diversification and continued investments in traditional and renewable energies in Southeastern New Mexico.

www.EDCLC.org

Economic Development Corporation of Lea County

FlyHobbs

For more Economic Indicators, visit www.edclc.org/economic-indicators/



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