

June-July, 2022

I. HOUSING RECRUITMENT

- A. John-** Met with two apartment complex developers from El Paso. Provided housing study and contact information on city as well as contact information for our member Realtors. They were still researching our community as well as Pecos, TX, but planned on coming back to Carlsbad in July.
- B. John-** Made a presentation to the Carlsbad Realtors Association on housing and the economy of Eddy County.
- C. John-** Sent requested information on oil and gas industry and potash industry to owners of apartment Carlsbad complexes that were interested in expanding their facilities in Eddy County.

II. WORKFORCE RECRUITMENT

- A. John-** Distributed dozens of recently received resumés to 16 interested CDOD members. These were received for our recently-filled Local Development Coordinator position and were interested in other employment in our community.
 - B. John-** Contacted Fort Hood about their upcoming Mega Job Fair on November 4, 2022 in Killeen, TX. There will be up to 15 spaces available for Eddy County companies interested in promoting their area vacancies to an estimated 6,000 soldiers soon-to-be transitioning to civilian life. We will be there to promote the community and other openings that are available in our county. The companies will be located next to us so that we can work as a team to recruit employees and their families to Eddy County and Carlsbad. If you are interested in attending, please contact Stephanie Mervine or me at 887-6562 for more information.
 - C. Jeff –** Eddy County’s unemployment was 3.6% in May. Chaves County was 4.5% and Lea County was at 5.4%. New Mexico as a whole was 5.1%.
 - D. Jeff –** I have been researching platforms that would allow us to host an online virtual job fair. The impetus here is to draw outside employees into the Carlsbad/Eddy County market. Some of these platforms will allow us to have multiple companies take part and set up video interviews during the job fair. More on this as it develops.
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III. OIL, GAS & ALTERNATE ENERGY

A. **John-** Completed this quarter's active rig count ranking. According to Baker Hughes, Eddy County led the nation in active rigs (as of June 10, 2022). Lea was a close second and Midland County in Texas was third.

TOP 25 RANK	County	Latest Week 10-Jun-22
1	Eddy Co., NM	53
2	Lea Co., NM	47
3	Midland Co, TX	42
4	Reeves Co., TX	33
5	Martin Co., TX	31
6	Loving Co., TX	29
7	Howard Co., TX	20
8	Upton Co., TX	20
9	De Soto Pa., LA	19
10	Webb Co., TX	15
11	Grady Co., OK	12
12 (tie)	Converse Co., WY	10
12 (tie)	LaSalle Co., TX	10
14 (tie)	Caddo Pa., LA	9
14 (tie)	Dimmit Co., TX	9
14 (tie)	Dunn Co., ND	9
14 (tie)	McKenzie Co., ND	9
14 (tie)	Reagan Co., TX	9
14 (tie)	Ward Co., TX	9
20 (tie)	Andrews Co., TX	8
20 (tie)	De Witt Co., TX	8
20 (tie)	Duchesne Co., UT	8
20 (tie)	San Augustine Co., TX	8
20 (tie)	Weld Co., CO	8
20 (tie)	Williams Co., ND	8

Orange shaded counties are in Permian Basin.
Note that 4 of the top six are in our Delaware basin service area.

Source: Baker Hughes Data

B. John- Working with site selectors and City on Project “Power Up”. This is a company that is interested in locating an industrial battery charging facility in Carlsbad.

C. Jeff –Sent out a press release touting the oil and gas industry. The focus of the release was the fact that Eddy County recently became the number one county for oil rigs in the country as of June 10th, 2022. As of this writing, the release has reached 19 countries and has received nearly 50,000 impressions in news feeds.

IV. EDUCATION

A. John- Attended Southeast New Mexico College’s strategy planning session moderated by Ken Britt. Goals and strategies were discussed by stakeholders, trustees and staff members for the immediate future of our community college.

V. MANUFACTURING

A. John- Sent information from the NM International Trade Alliance to Carlsbad area manufacturers regarding exportation opportunities in Taiwan.

VI. NUCLEAR

A. John- We were officially notified by the DOE that Tularosa Basin Range Services, LLC, a team led by Bechtel International was tentatively awarded the WIPP M & O contract. There is a short period of time allowed for protests. If not protested, the transition from NWP to the new contractor will occur on September 30, 2022.

VII. RETAIL/RESTAURANTS/ENTERTAINMENT/HOSPITALITY

A. Jeff – Big Lots is still hiring employees. I reached out to help them spread the word about opening applications in early June. They have made some hires since then, and have begun to work on stocking the inside of the store, which is located at the Carlsbad Mall in the former Bealls site. They are slated to be open the last week of July.

B. Jeff – Project Dumbbell, or Planet Fitness as it has been reported, is nearly underway in front of Lowe’s Home Improvement. They have been working to trim construction costs in their efforts to begin construction.

C. Jeff – We expect to have a site visit from yet another restaurant interested in not only Carlsbad, but Project Whale. We have met with this company for several years at the Red River ICSC show, most recently this past March. When they come to Carlsbad, we will set up appropriate meetings with the Mayor and his staff as well as give them a tour of the market. This restaurant will be referred to as Project Sweetfire.

D. Jeff – Speaking of Project Whale, all appears to still be moving forward. They are planning another site visit in the near future but have not firmly outlined when that will be just yet. We continue to stay in touch with them and provide them with any information they need.

E. Jeff – Have had several meetings with a local entrepreneur who is researching a new business. I was able to find property owners for him to talk with, as well as put him in touch with the state to answer his questions regarding alcohol usage and licenses. This is Project Tavern.

F. Jeff – Met with a local food truck operator who is thinking of expanding into a restaurant building. Put them in touch with a property owner to see if they could work out a deal. More details as they become available.

G. Jeff – Demolition should begin soon of the former Executive Inn located at the corner of Canal and Lea. Recently I worked with the property broker and Jeff Patterson at the city to get them talking about fencing the property off and boarding it up, as vagrants were vandalizing the property and setting rooms on fire. Jeff was very concerned there would be serious injuries or worse if the property was not properly fenced off. The broker for this location has sent me a flyer of what they hope will be new businesses once demolition is completed.

H. Jeff – List of projects that are currently under construction/demolition that CDOD has assisted in whole or in part:

H Tea O

O'Reilly Auto Parts

Baymont Inn & Suites

Best Western Plus

Wing Stop

Big Lots

Executive Inn & Suites location.

VIII. ADMINISTRATION

A. Jeff – Pleased to announce that Means Realtors has re-joined the CDOD membership!

B. Jeff – Working with The Retail Coach on updating our leakage numbers. This can also be referred to as a pull factor analysis. Basically, this information shows us how many dollars we lose to other markets when people shop, dine out, or visit entertainment establishments because we don't have them here. This helps us formulate plans and strategies on which types of businesses to target for recruitment, because we can show them the opportunity being missed in our market.

C. Jeff – We have begun a website renovation. We have Adam White of Burlap and Light, another new CDOD member, going out to take video and photographs of businesses and sites in and around Carlsbad and Eddy County so we can freshen our site up. In the background, we are working to make sure all of our information is correct and updated so that we can remain a solid resource.

D. Jeff – The CDOD website continues to perform well. Here are some key statistics over the last four quarters:

55,185 pageviews

29,028 sessions

24,838 new users

E. John- The results and recommendations for the 2022 Eddy County ARPA Small Business and Non-Profit Assistance Program were forwarded to that County and approved by the Commission.

1. The deadline for this grant period ended on April 30, 2022 and between February and the deadline, we received 37 applicants from across Eddy County. Of the 37 applicants, 3 were non-profit organizations and the other were for-profit small businesses.
2. Applications were reviewed to make sure the organizations were eligible per the county requirements laid out in the application packets (i.e. had to be a small businesses, located and headquartered in Eddy County, closed or curtailed by COVID situation, etc.). Each applicant was checked on the U. S. Small Business Administration's Table of Small Business Size Standards to make sure they met SBA's small business classification.
3. Next, each of the applicants' submitted expenditures were reviewed to ensure they were eligible per the rules and that there was proof of payment by applicant within the timeframe set forth in the grant (from March 3, 2021 to April 30, 2022).
4. Total eligible expenditures ranged from \$4,022 to \$1.2 million. The two largest expenditure categories claimed for reimbursement were "non-owner payroll" and "utilities."
5. The cap for eligible assistance was set at \$40,000 by the County. All but eight of the applications exceeded the cap and thus the recommended award amount was \$40,000 for those 29 applicants. The other eight applicants have recommended awards equivalent to the amount of verified, eligible expenditures submitted. In total, the collected recommended amount to award was \$1,303,780.90 to the 37 applicants.

F. John- Continuing to work with the US EDA to defederalize our original RLF loan, which would permanently release us from their quarterly reporting requirements and any payback responsibilities for fund in the future. Should have transition documents ready for board approval at next board meeting.

G. John- Completed and submitted a lengthy application to the New Mexico Economic Development Department (NMEDD) for their new Certified EDO Program. Also attended a morning-long training session required by NMEDD for application. If successful, we would be eligible for a grant of up to \$40,000 to help us fulfil our goals. If we make the initial cut, the NMEDD will be sending an audit team to talk with staff, officers and local government officials about our program.

H. John- Passed on information to member telecommunications companies regarding broadband grant opportunities.

I. John- Met with the Chamber and others on the Government Relations Council regarding our community priorities for the upcoming session and year.

J. John- Assisted a CDOD Member by printing property plat for an upcoming project.