

Work Session
August 8, 2013

EDC

Mr. Pat Vanderpool touched based on six questions. Where are we today? What are our current projects? Who are we? What do we do? Why do we do it? What does the customer want? And how do we respond to it?

Where are you today? Our unemployment in May was 5.6% and in January it was 6.9%. The actual numbers have jumped 200 people. It is important to note that we are improving economically in this community. For reference, the housing value in Quay County is \$68,800. The percent of household with children under the age of 18 is 18.6%, which means we have an aging community.

Who are we? We need to remember that we are two groups of people working on the community, which are private sector and public sector and each group has different goals.

The private sector is driven by sales of products and services. The public sector is revenues coming from taxes and they provide services and build infrastructure.

What EDC tries to do is have a partnership between the two sectors. It is important to remember that's the make up of the organization. Public sector really has to build infrastructure.

What EDC does then is three things: 1) Marketing and business attraction; 2) public policy development and support, which is done at the local, state and federal level, and 3) community development, which is what we do to make our community attractive.

Why do we do it? Using the leaky barrel analogy, our economy is a barrel and what we try to do is get outside money to fill the barrel but then we have holes in the barrel and that's money going out. When people take their money and spend it elsewhere, that's what we call retail leakage.

We had a company that conduct a study on the entire community and the money spent by local residents was \$62,061,058; \$35,666,390 was spent locally and we lost \$26,394,668 which was spent outside the community .

What we do are two things: 1) we need to stop the leakage and make sure that we provide the services so people will spend their money here, and 2) based jobs which are jobs that export a product and service in return for imported dollars. That is how we put money in the barrel.

We have identified a number of targets. This community has been driven by agriculture and tourism/transportation. We have the opportunity to diversify the economy. Our targets are energy, logistics, metal fabrication and manufacturing, aviation, ag science, and retail commercial.

What the customer wants? He had the opportunity to attend a sales mission with the EDC partnership and had a chance to sit down with on-site location consultants and every one asked for existing buildings, workforce, and cash.

How we respond? First we need to make sure we are looking for projects that fit us. As a small community we will not compete with the larger projects. We need to have our name out there and what we offer.

Challenges/Opportunities – Business Retention/Expansion program is labor intensive and typically ran by volunteers.

We are piggybacking on Fired Up event on September 28th.

Sands Dorsey – He is proposing we take a private sector to it. He stated he had initial conversations with four private developers. He thinks if we can dangle the new markets tax credit and historic preservation tax credits. He does not think we will find money to demolish the building. The four developers have all said they will look at it and have the financial resources to get it done.

Mr. Lumpkin asked if these private people will ask for the grants or will we ask for the grants. It makes sense to EDC to be involved to begin with, we want to attract commercial and retail activity it would make sense to get involved in this project.

In regards to Sands Dorsey, Mr. Vanderpool asked what if we had commercial/retail upstairs and rental units downstairs and provide a preference for veterans.

Mr. Lumpkin stated that we don't have the existing buildings to offer but maybe we can show these 4 developers that we need to spend serious money in the range of \$30,000-\$50,000 on a website. It should include pictures of people in Tucumcari, murals, houses, property owned by Tucumcari, lakes, golf course, schools, gas prices, demographics, location, tax structure, and motel prices.

We don't have the building to offer but we do have a lot to offer; mountains and Amarillo, etc. We need to talk climate and helicopter service at the hospital.

We have billboards scattered throughout I-40. He thinks they need to be moved them closer to Tucumcari. We could have billboards on each side of Tucumcari.

Mr. Vanderpool stated that we need to think about the strategy with website versus billboards. Websites are for the tourists who are planning for a future trip. Billboards are for the impulse buyer.

Mr. Curnutt stated that anyone who has input we need to get our ideas together. But in the meantime, we need to coordinate with Chamber of Commerce and EDC.

Mr. Lumpkin asked if we could use EDC funding for this project. Mr. Vanderpool stated that we would have to look at the eligibility for the use of those funds on whether or not we can use the money.

Ms. Salinas-McTigue asked about USDA with Terry Bruner. Can we tap into his resources and see if he can come up with an idea to help us.

Mr. Vanderpool thinks we can find our resources we just need to work together.

Mr. Sandoval stated that we don't have the personnel to do this. He has been trying for a long time to move forward but no one helps.

Mayor Curnutt disagreed with Mr. Sandoval. He stated that Mr. Sandoval had a program with Mesalands and worked with the contractors and contractors did not bid.

Mr. Sandoval stated he tried stated that evaluations for employees are not conducted.

Mayor Curnutt stated he visited with Dr. Newsom and believes that the City and the College will be working closely for the future of Tucumcari.

Ms. Salinas-McTigue asked if we could find out how we can get our hands on the property on the other side of Highway 54. She was told it belongs to the State. But how can we make it into a park/recreation area.

Mr. Vanderpool stated he does not know the history on the property.

Mayor Curnutt stated that he remembers years ago there was a preliminary plan to develop that land.

Ms. Salinas-McTigue stated we need to start thinking on how we can get 6000 acre feet of water before the people in Clovis get their hands on it.

Mr. Lumpkin stated that we have a plan on the 6,000 ac ft. of water. If we want all the 6,000 ac feet of water we will have to use their intake structure. Their intake structure is 6 miles from where we need the water. We would need to build a pipeline at a cost of approximately \$6,000,000.

Mr. Vanderpool touched base on three things: 1) we are working with Mr. Hockaday for solutions for the ethanol plant, 2) we have been working on the small business assistance program at the Labs and we have 4 projects, which is turbine program, water modeling and economic modeling on the watershed for Arch Hurley, and upgrades at the broom factory.

He might have an opportunity to make contact with the owner of Sands Dorsey and maybe he will work with the private sector.

Meeting closed at 5:54 p.m.

Respectfully submitted,

Angelica M. Gray