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Preliminary SWOT Analysis  
Mike Barnes Group, Inc.

2010

# **ECONOMIC DEVELOPMENT STRENGTHS AND WEAKNESSES ASSESSMENT**

*of*

**Lea County, New Mexico**

*PREPARED FOR:*



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## **INTRODUCTION**

In this report, An Economic Development Assessment of Lea County, New Mexico, Mike Barnes Group, Inc. has prepared a Strengths and Weaknesses Analysis. The report includes a workforce development or labor analysis. The analysis is designed to assess Lea County, New Mexico from a corporate site selector's perspective. MBG is a site selection/economic development provider with affiliates in New Mexico and elsewhere in the nation.

To prepare this analysis MBG has compiled information from its own databases, research from outside sources and detailed interviews with industry in the Lea County area. Those interviews were carefully selected to draw a composite of the industry that most truly represents the Lea County area's makeup.

Those interviewed included:

The analysis generally assesses Lea County's assets and liabilities versus key economic development criteria, including key criteria for select target industry. Economic development criteria include:

- (1) labor**
- (2) education and training**
- (3) economic development programming**
- (4) infrastructure and local services**
- (5) quality of life services and other intangibles**

In this assessment MBG also identifies critical issues, threats and opportunities based upon the interviews in the community and observations from select business leaders and others in Lea County, during the summer of 2009 and the winter of 2010. From this assessment we should be formulate a strong target industry analysis.

Finally, we will make recommendations as to specific actions that Lea County should undertake. The recommendations shall serve as a platform for future economic development programming and directions for Lea County.

## **STRENGTHS & WEAKNESSES ANALYSIS**

### **Introduction**

MBG conducted an economic development strength and weakness analysis for the Lea County area. First we will help you understand the most important factors by industry sector. Next we will rate Lea County against each critical factor (strength, weakness or neutral). This will lay the groundwork for the target industry analysis to be completed at a later date.

### **Understanding the Importance of Select Factors in Corporate Site Selection**

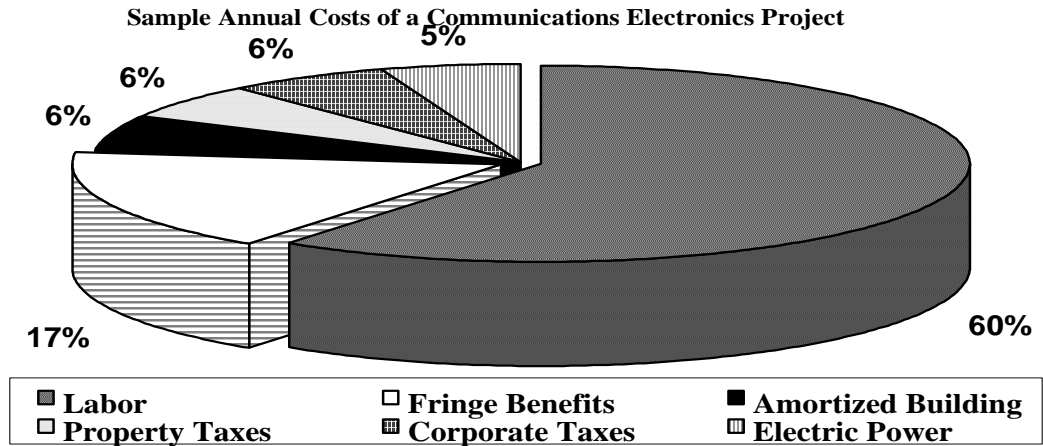
MBG has worked with many different types of companies on relocation-related projects. From this experience we have identified the most important site location cost and condition criteria for different types of projects. It is important to review this information, in order to better understand why select factors are critical to the success of new locations and expansions. It will also help the reader to better understand Lea County's potential for selected target industries.

### **Manufacturing**

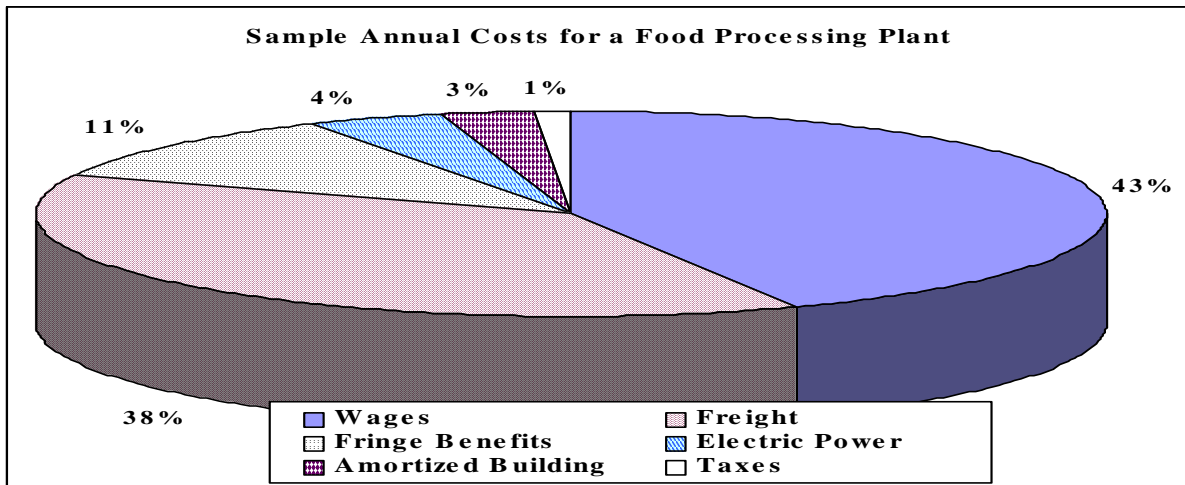
In general, labor will represent the largest single annual cost item for a typical manufacturing project. Fringe benefit costs (consisting of medical, disability, life insurance, unemployment insurance, and workers compensation insurance) will also be significant cost factors (often second or third). Market access is also critical and will determine freight cost variables.

The following represent annual operating costs for two manufacturing projects.

- **Labor is the largest annual cost component in an electronics project.**



- A food processing plant will have a much larger freight cost component.

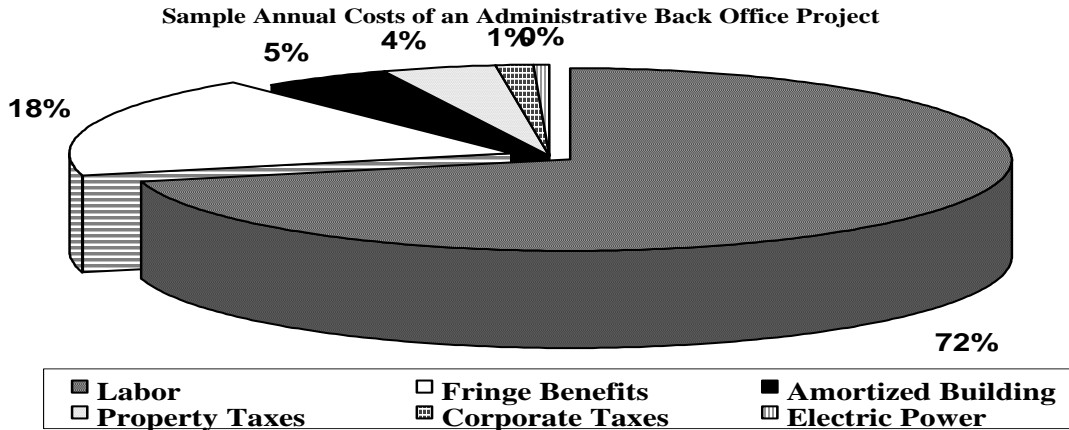


The most critical location factors, by priority, for a typical manufacturing project are:

1. Market access (freight costs)
2. Labor skills and quality
3. Labor costs & fringe benefits
4. Unionization trends
5. Available buildings
6. Utility costs and local services
7. Business climate/taxation

### Administrative Back-Office

Labor costs and conditions are even more important for an administrative back-office function. In the sample below, wages and fringe benefits represent 90% of annual operating costs.



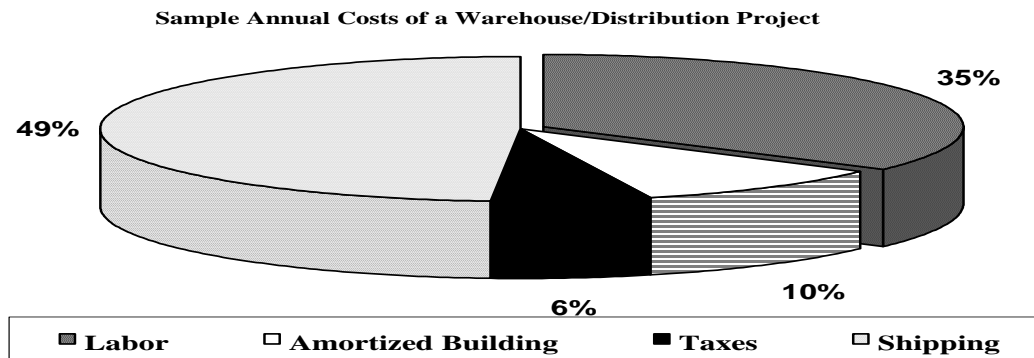
The most critical location factors, by priority, for a typical back-office project are:

1. Clerical labor costs
2. Clerical labor quality, availability<sup>1</sup>
3. Turnover
4. Absenteeism
5. Occupancy costs (Class B buildings)
6. Training programs
7. Available buildings
8. Ability to recruit management labor (relocation & quality of life issues)
9. Proximity to commercial air service (especially for check processing centers).

### Warehouse/Distribution

Labor costs and conditions are less important for the typical warehouse/distribution project, but location of transportation infrastructure and sites/buildings are key. They may be quite labor intensive, but require mostly unskilled labor, and therefore labor costs are a much smaller portion of total operating costs.

<sup>1</sup> Companies tend to look for areas with deep pools of labor; applicants to hires of at least 20 to 1.



**The most critical location factors, by priority, for a typical warehouse/distribution project are:**

- 1. Freight costs/market access**
- 2. Service delivery time (access to market)**
- 3. Interstate highway access (four directions considered most desirable)**
- 4. Available buildings (minimum 80,000 to 120,000 sq.ft.; 20-24 foot ceilings)**
- 5. Cost of real estate (10-15 acre minimum with rail potential)**
- 6. Labor cost, quality & availability<sup>2</sup>**
- 7. Business climate (especially inventory taxation).**

#### Retail/Hotel

Typically, retail and hotel development will follow the wealth generated by export-type economic development, such as manufacturing, office, and warehousing. Retail/hotel site selection criteria are significantly different than the categories already reviewed.

**The most critical location factors, by priority, for a typical retail project are:**

- 1. Access to households (and the disposable income)**
- 2. Proximity to other retail**
- 3. Access to low wage and part-time workers**
- 4. Competitive real estate costs**
- 5. Incentives such as TIF and sales tax rebates.**

**The most critical location factors, by priority, for a typical hotel project are:**

- 1. Access to a large concentration of potential guests through good highway access and/or access to significant business resources such as a business park, airport or mall.**
- 2. Access to low wage and part-time workers.**
- 3. A high access/high visibility site.**

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<sup>2</sup> Especially seasonal workers for seasonal products which fluctuate in quantities.

## **Strengths & Weaknesses Assessment for Lea County**

The following strengths and weaknesses assessment was developed as a result of this fieldwork coupled with Paragon' site selection expertise.

### **Market Access**

### **Weakness**

Except for oil and gas related industry, Lea County does not have great market access. It is a few hundred miles away from major markets such as Dallas and Phoenix and far away enough from Juarez/El Paso to be a supplier for that marketplace. Rail connects well and several of the major interstates are within 100 miles of the county.

### **Transportation**

### **Neutral**

- Rail connects well in Lea County and surrounding other counties based on interviews with companies using rail. The state and US Highways in Lea County are for the most part safe and is fairly good condition despite being traveled heavily by oil trucks.
- Air service has had very low ratings in both surveys taken by MBG and the Partnership. Human resource managers were very upset about the lack of dependable air service and almost all were using Texas airports instead.

Quotes:

*“We are isolated here in Hobbs and the terrible roads are not conducive to a growing community’s standards.”*

*“Hobbs’ infrastructure is great and it is fairly easy to get from one place to another.”*

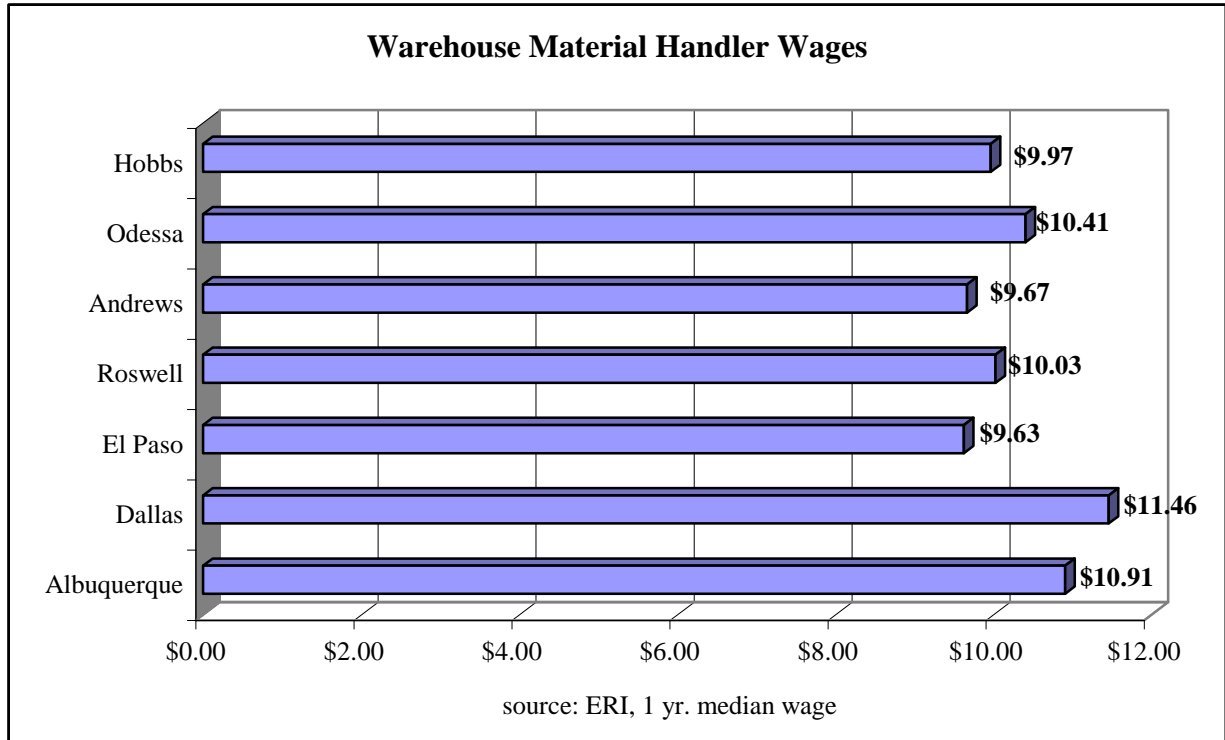
*“Air service is a zero. We need a new reliable service that connects with either Dallas or Houston.”*

### **Wages**

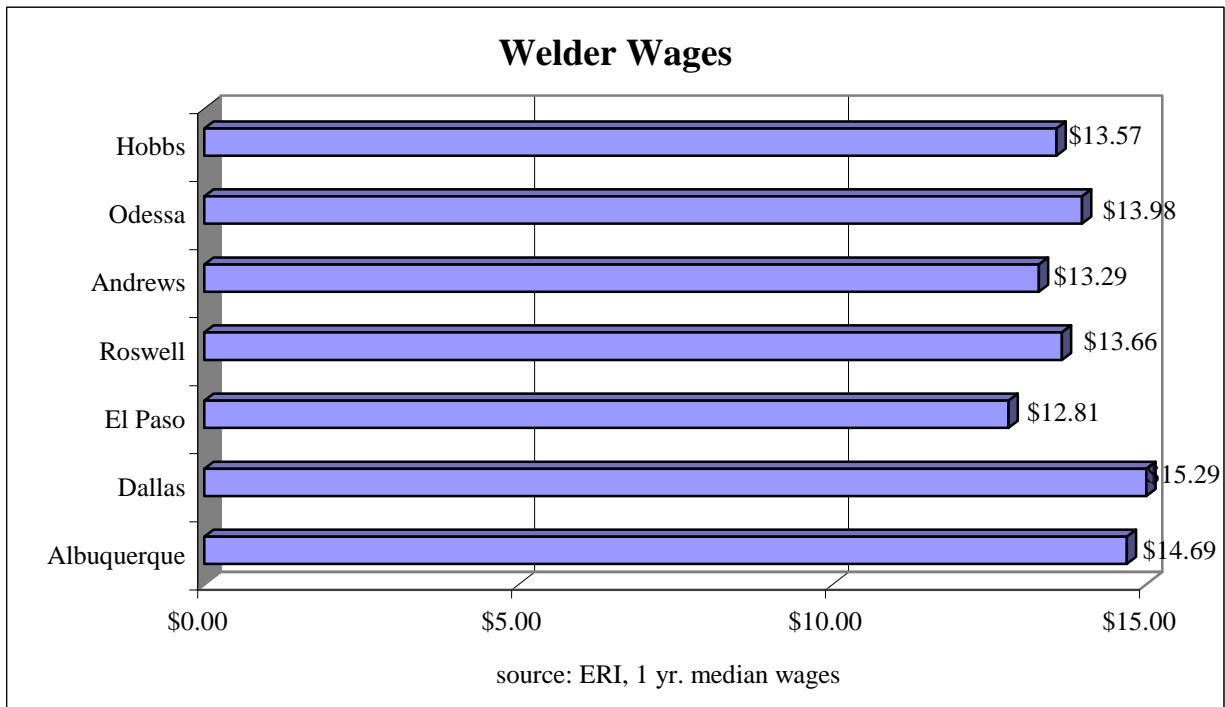
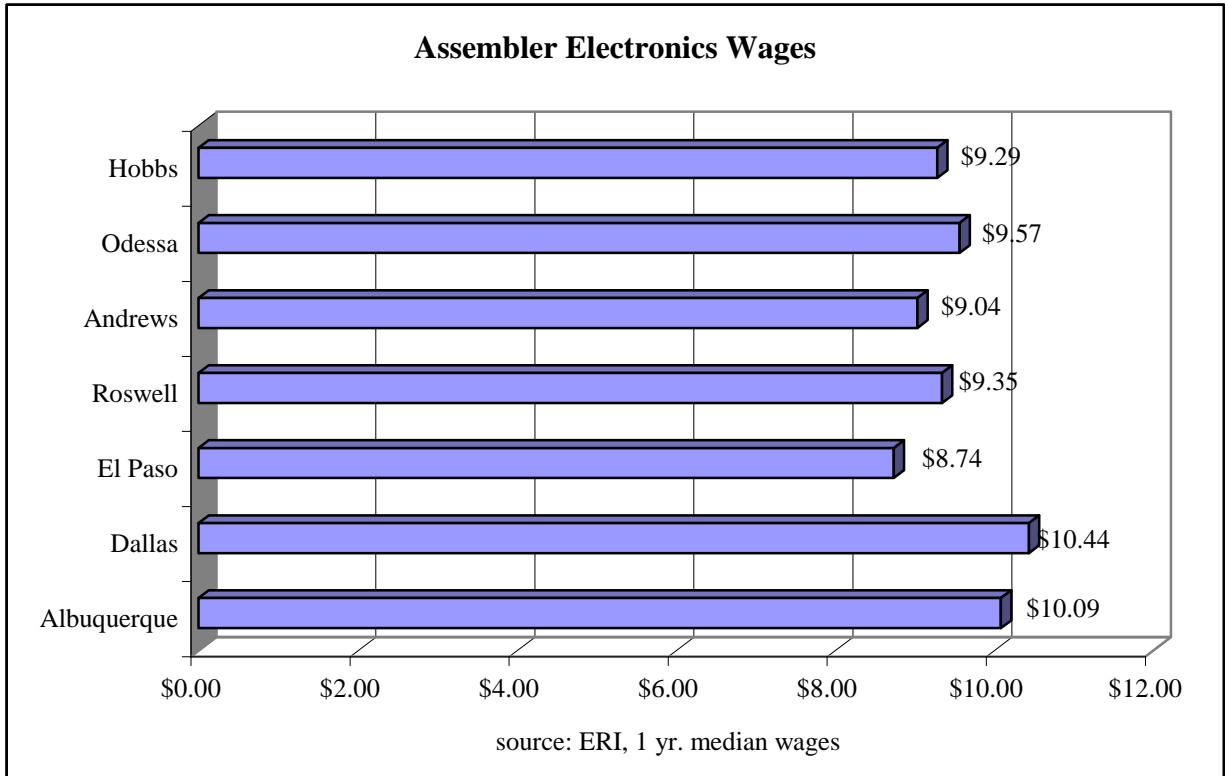
### **Neutral**

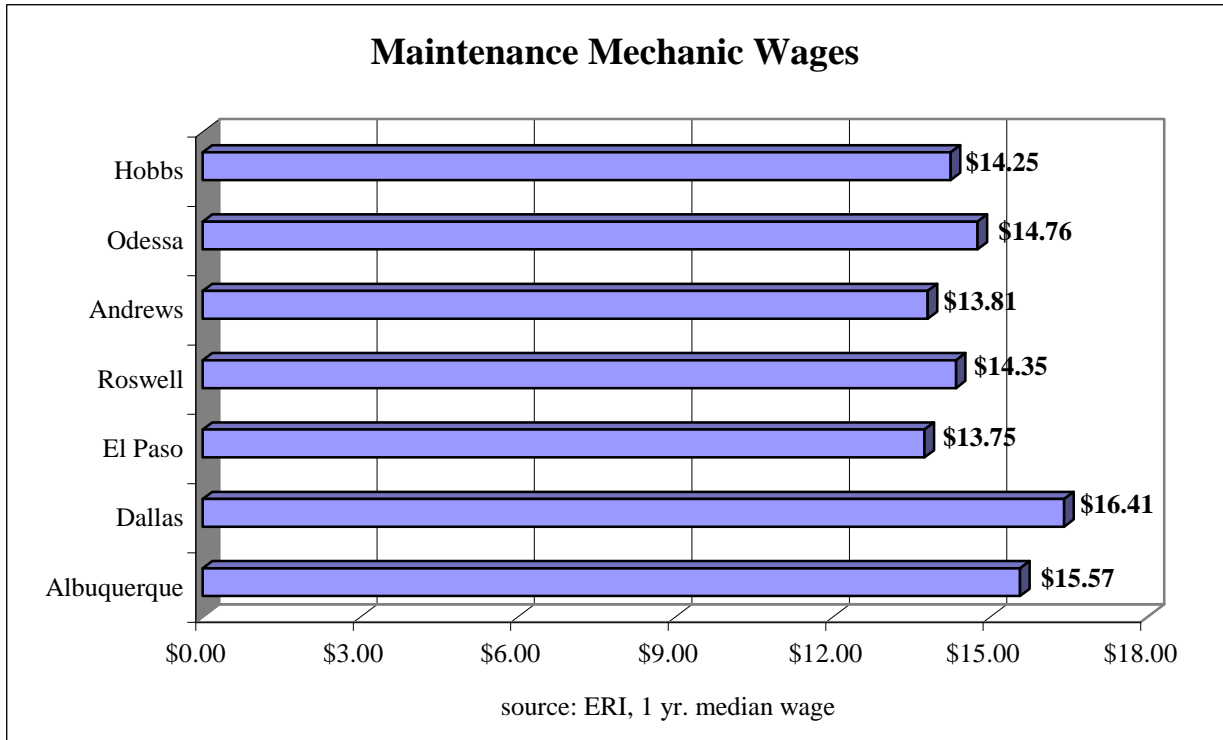
Significant wage savings can be realized by locating in Lea County; however wages are higher than competing cities. Wages are generally higher than the three competitive communities of El Paso and Andrews, TX. We separated wages in manufacturing from those in back offices

- **Lea County warehouse workers and assemblers wages fare well with competing communities.**

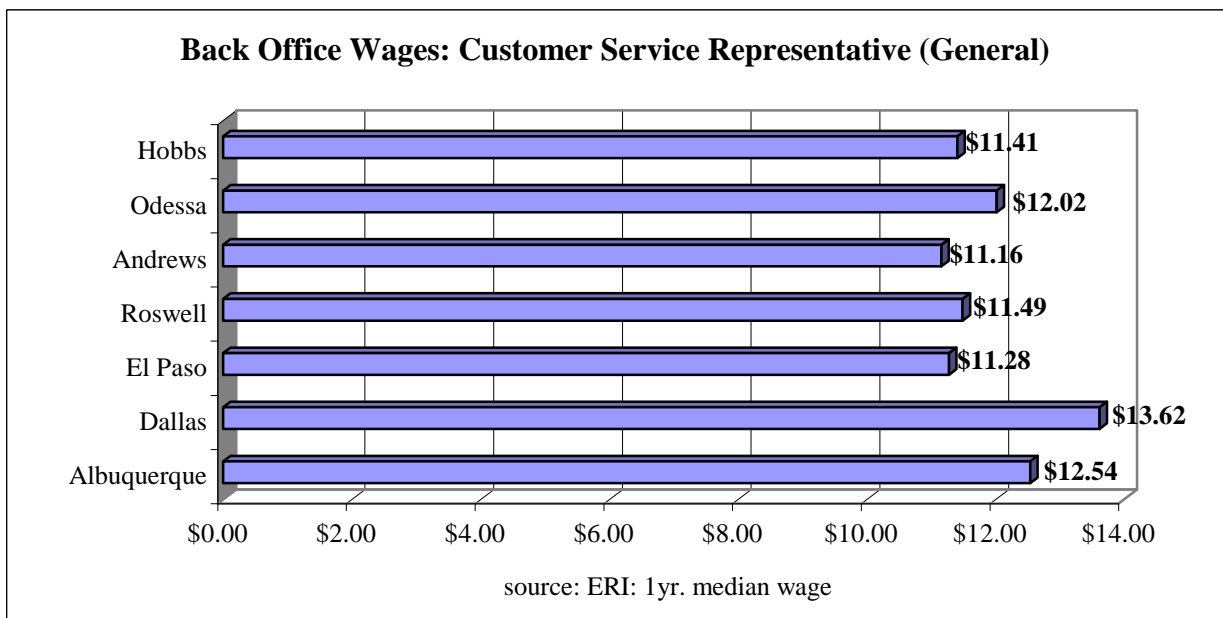


- Wage rates for semiskilled and skilled welders are higher in Lea County than the Andrews and El Paso but lower than other competing cities.
- For unskilled workers such as assemblers or material handlers the wage rates are actually lower in El Paso and Andrews.





- In addition, back office/call center projects offer attractive employment opportunities for women in the Lea County area, even when the oil fields are active. These factors need to be taken into account when trying to stabilize the economy

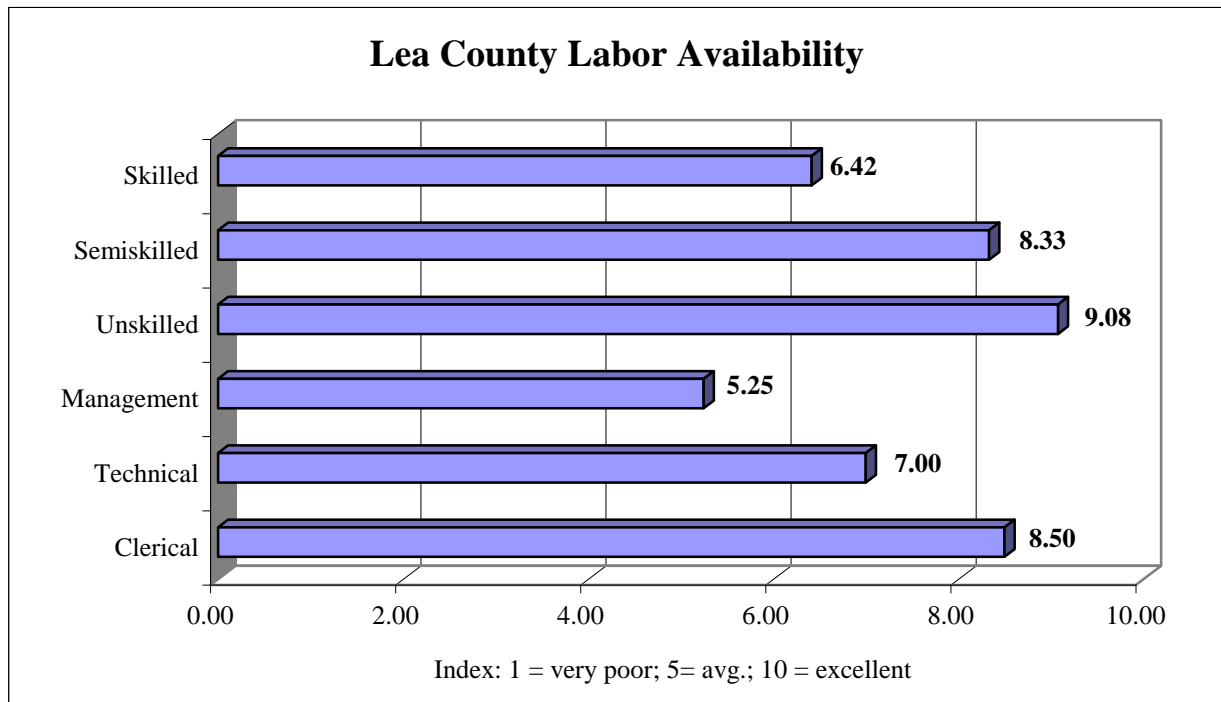


***Labor Availability***

***Strengths***

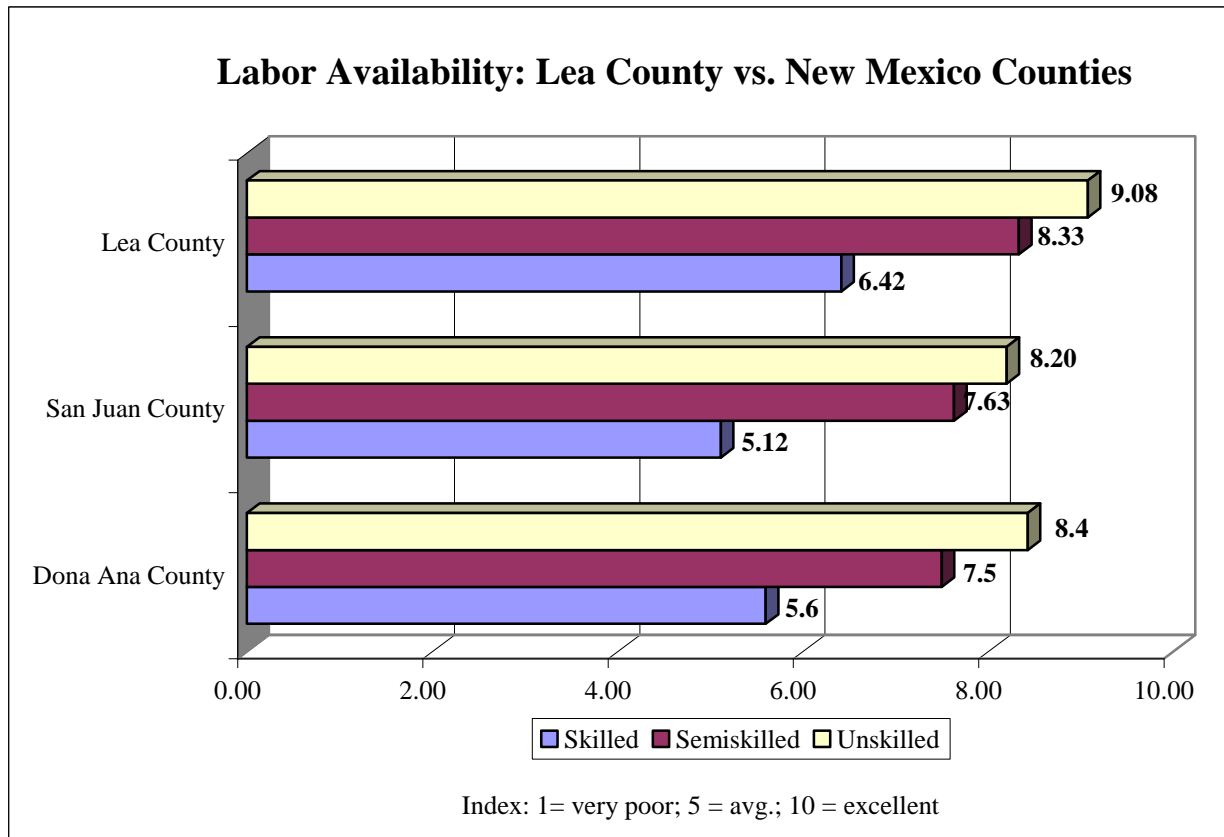
Good labor availability is essential in a company’s selection of a market for expansion. During MBG’s interviews, company officials were asked to rate labor availability. We asked employers to rate labor availability on a 1 ('very poor') to 5 ("average") to 10 ("excellent") scale. Generally scores 3 to 4 are considered "poor to below average" and a score of 7 is "good". We created an Index from these scores as shown on the following graph. Positions are classified into those in manufacturing and in non manufacturing.

- **Skilled labor availability was rated fair.** However, a year earlier when the oil fields were extremely busy, there were no welders and maintenance mechanics available. Some have left the area but the pool is extremely good in early 2010.
- **Semiskilled and unskilled availability is rated very good.** Firms that have been hiring within the last few years have experienced an abundance of applications from young people seeking work with limited skills.

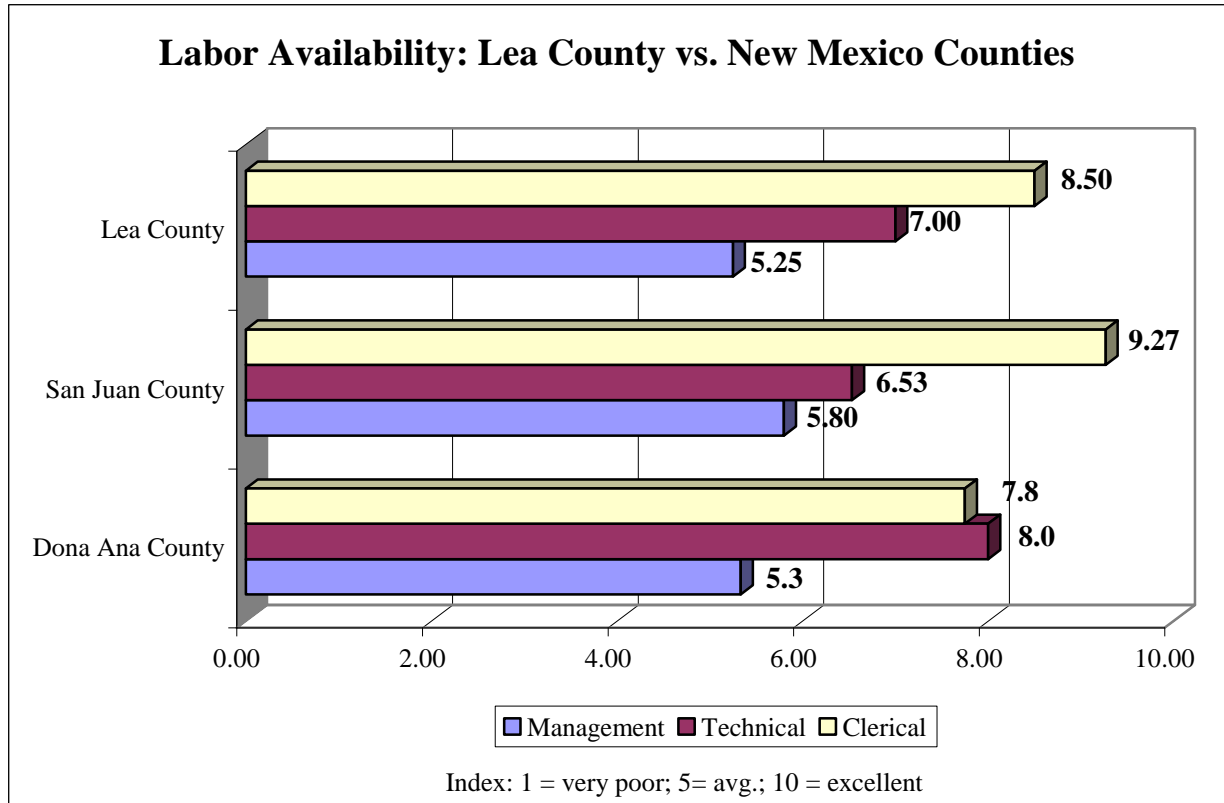


- **Unskilled workers, such as assemblers and material handlers are easy to find,** although they are often lured to positions of higher paying pay when the oil economy is good.
- **Clerical availability is very good.** This is mainly because there is a shortage of office positions available for women.

A comparison between key competing cities and Lea County reveals the following:



- **Lea County labor availability employers' ratings are similar to their competitors in most areas.**
- The exception is in the availability of skilled workers. Even though both San Juan County and Lea County are energy based economies, there appeared to be better availability of skilled welders and maintenance mechanics in Lea County.



- Availability of clerical workers and administrative support personnel is slightly better in San Juan County.
- The availability of technical support personnel, such as computer technicians and network technicians is slightly less in Lea County than Dona Ana County.
- Recruiting management personnel is an issue in all three counties. They all seem to struggle with New Mexico’s image, lack of housing, remoteness, proximity to major cities and schools.

*Quotes:*

*“Businesses locating here won’t have a problem finding people to work.”*

*“Workers in this area are easy to find and are of good quality.”*

*“Good, reliable help is here in Lea County!”*

*“It is complicated to find skilled workers in this area, as an employer you’re always worried that the oil fields will grab them.”*

*“There is a problem with new hires showing up for work.”*

*“It is difficult to find good help in this area, none of the job applicants have experience, and the younger generation has a poor work ethic.”*

***Labor Quality***

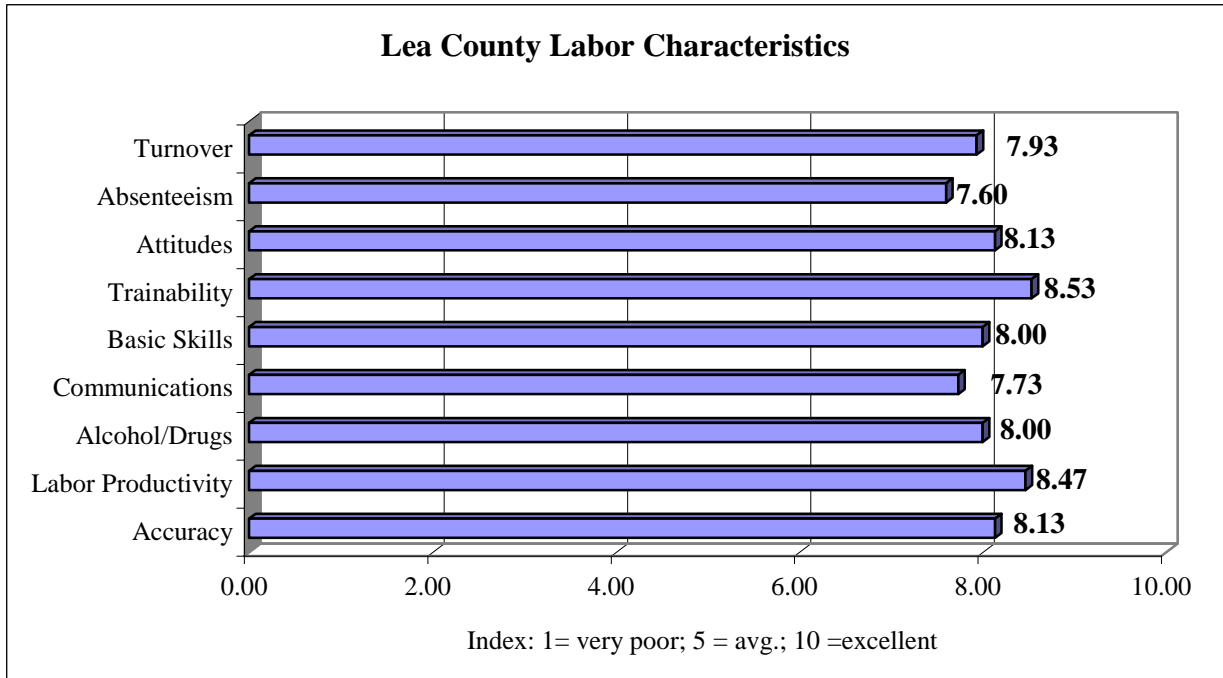
***Strength***

The quality of the workforce is critically important to a company looking at a new location. Good quality workers will be essential to the success of any project. Through interviews we were able to determine labor quality in the Lea County area.

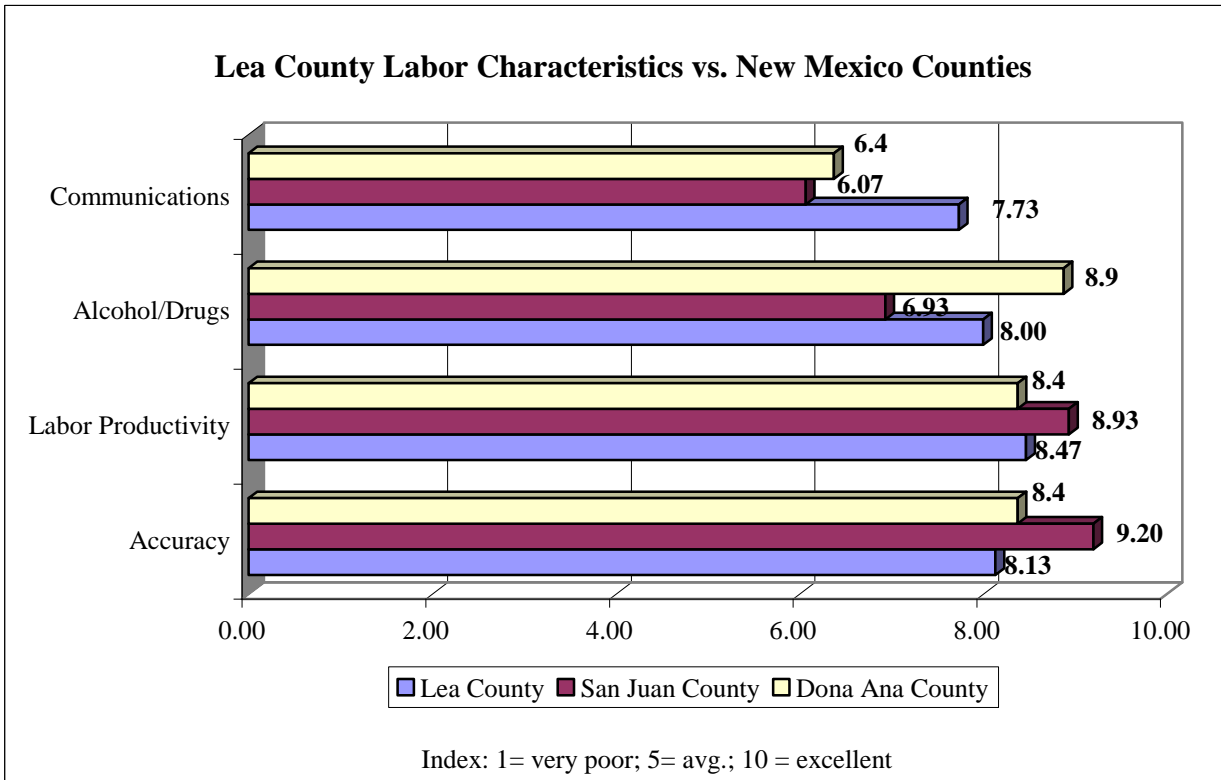
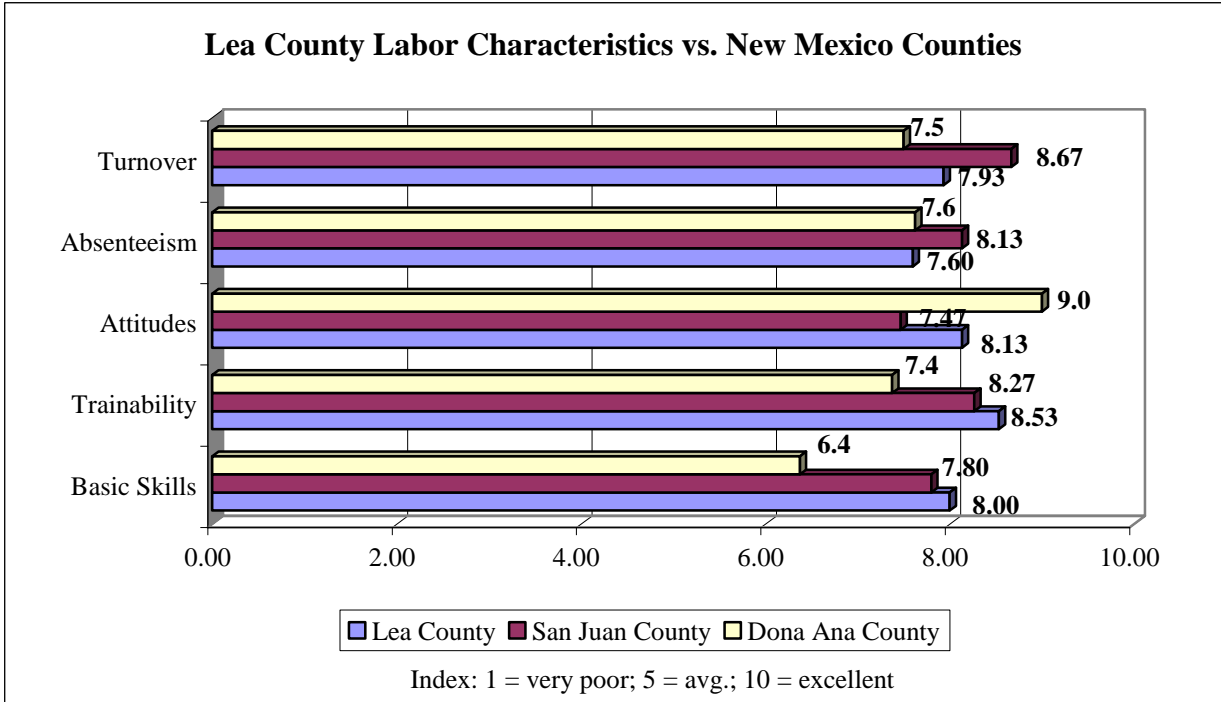
We asked employers to rank select factors on the one to ten scale. We created the Index from these scores. We use the same factors in all of our labor analysis, in order to get an “apples to apples” comparison of communities in different regions. Factors included:

- Quality – overall composite of all scores.
- Turnover
- Absenteeism
- Attitudes – on-the-job
- Trainability – employees response to training
- Basic skills – math, English, grammar, etc. of new hires.
- Communications – Employer/employee and employee/employee on-the-job.
- Alcohol/drugs – Perceived situation
- Productivity – Employer’s measure
- Accuracy- Employer's measure

Generally, scores of 5 to 6 are “high average”; 6 to 7 are “above average”; 7 to 8 are “good”; 8 to 9 are “very good” and 9 and over are “excellent”. The following graph gives an indication of the qualities of the Lea County workforce.



- **Overall labor quality is rated very good, with very little turnover and attitudes generally good.**
- **Basic skills and trainability are also rated highly.**
- **Accuracy is reported by firms in Lea County as very good, and labor productivity rates is close to excellent.**



- All Lea County ratings are “good to very good”

- Lea County rates slightly better than other New Mexico counties in communications, basic skills and trainability.
  - Lea County's ratings are similar in almost all other characteristic categories.
- 
- **Key Conclusion: Lea County's labor quality is very good,**

Quotes:

*"The younger generation in this area wants a job and wants the money, but they don't want to put in the effort of actually working."*

*"Some employees here are not used to the corporate culture, and have the "you owe me" attitude."*

*"Our older employees never turnover but our younger ones are always looking for work with the oil fields."*

*"We are extremely accurate. We almost never have scrap. This is testimony to a great workforce."*

### **Education and Training**

### **Mostly Strengths**

Good education is critical to preparing the future work force in a community. The following are key findings in Lea County. High enrollments in two year schools normally indicate young people are being trained for work in the future. In communities like Hobbs and Lovington as well as all of Lea and Eddy Counties young men are normally tempted to work in the energy based industries because of high wages for low skilled workers. Therefore, the challenge for the community, the schools and the colleges becomes even greater to educate a workforce beyond secondary school.

### **Strengths**

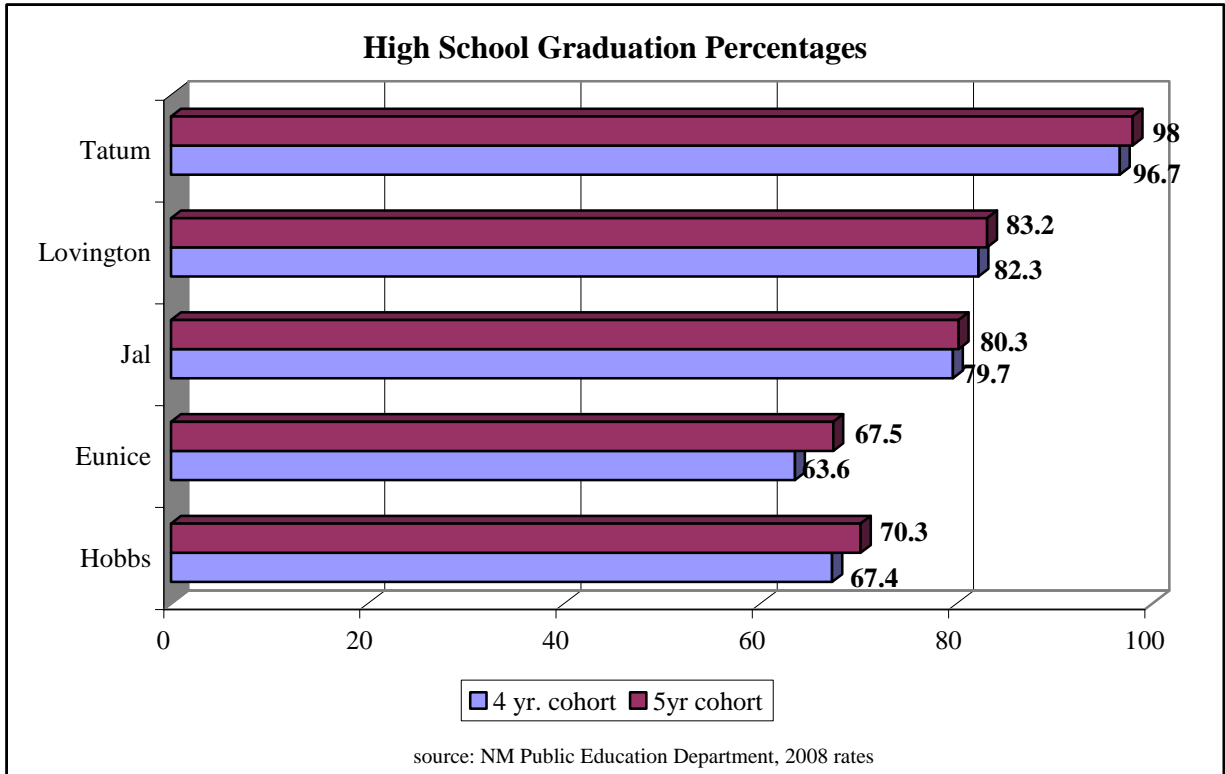
- **New Mexico Junior College gets high ratings** from all those interviewed in the winter of 2010 and the summer of 2009. NMJC provides specialized workforce training programs, customized training programs as well as energy technology programs.
- **NMJC is now providing an associate's degree in applied science/energy technology** which promotes and strengthens courses by teaching required skills, safety, site security, protection of the environment, and other critical fields relating to the nation's energy needs. Programs are available for high school students interested in the Energy Technology field.

- **NMJC offers certificate programs in welding and welding technology** with classes in CAD and blueprint reading as well as technical math which are critical to employers in the region.
- **NMJC works very closely with all the high schools/school districts** in the county on Tech Prep, advanced placement and numerous other programs.
- The University of the Southwest in Hobbs has begun the transformation and expansion from a commuter college of primarily non-traditional students to a residential campus that will eventually house approximately 50% of the student population.
- The University of the Southwest has a strong business program which offers a **Masters in Business Administration** and serves as an excellent complement to the programs at NMJC. An MBA is highly sought after by relocating companies and individuals.
- **Hobbs Municipal Schools finds itself in the unique position of being a technologically rich school district.** Staff and students benefit from a wealth of hardware and software made possible by an aggressive approach to 21st learning as well as voters who have passed bond and mill elections in the past by overwhelming margins
- **Employers generally feel that basic skills are generally good.** This demonstrates that the school district has been effectively teaching basic elements of reading, writing and math.

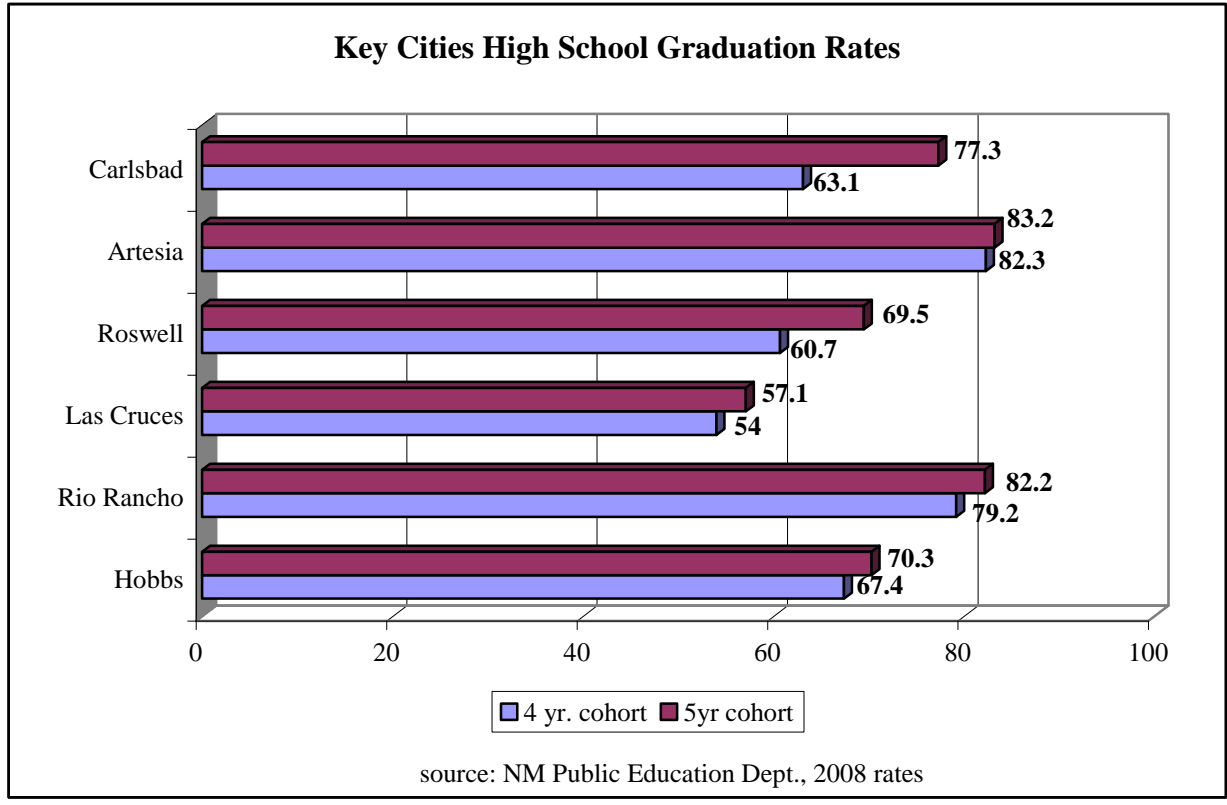
### Weaknesses

- HMS is 89<sup>th</sup> among 89 school districts when it comes to state reimbursement for per student ratio funding. Likewise, while bond and mill levy allows for software and hardware acquisition, it does not fund training.
- Even though the community rates the school districts (mostly Hobbs) very well with a rating of 7.38 by employers in August of 2009 and 8.01 by community leaders in February 2009, community leaders also felt that there is a lack of opportunities for youth with a 5.61 rating.
- The high school graduation rates are not as strong as other districts in the state. Even though Lovington has a strong graduation rate, it has low median ACT scores. Hobbs has neither high graduation rates nor high median ACT scores.

The graduation percentages for 2008, according to the New Mexico Department of Public Education are:

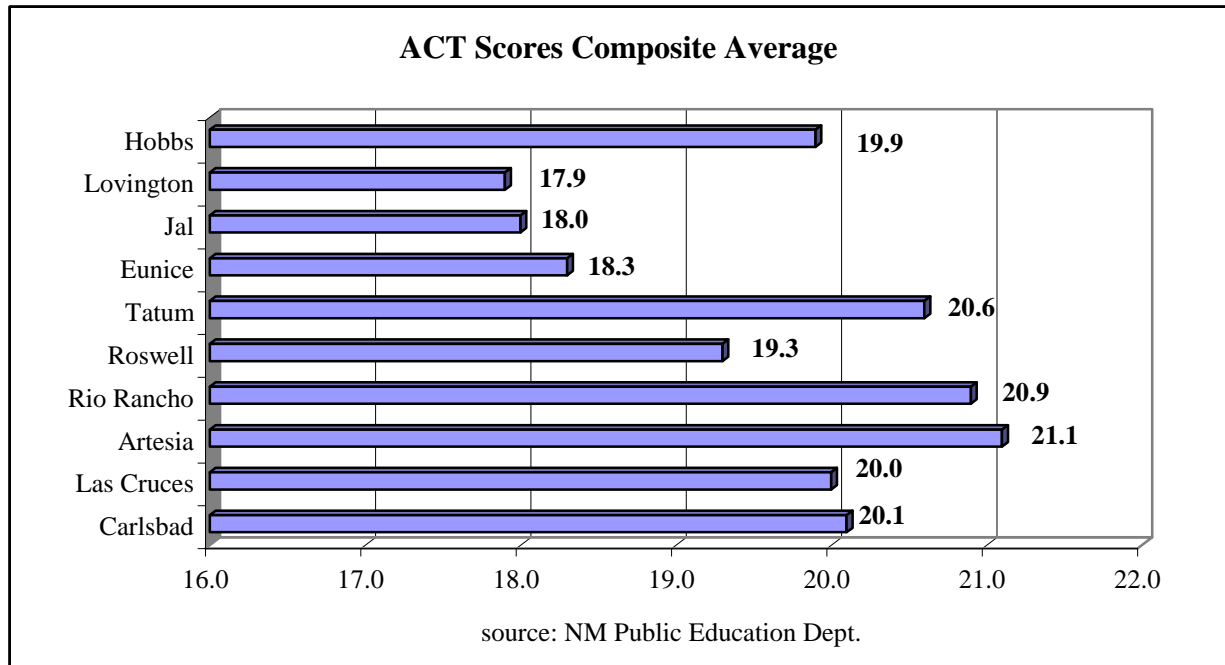


When comparing Hobbs with other key cities:



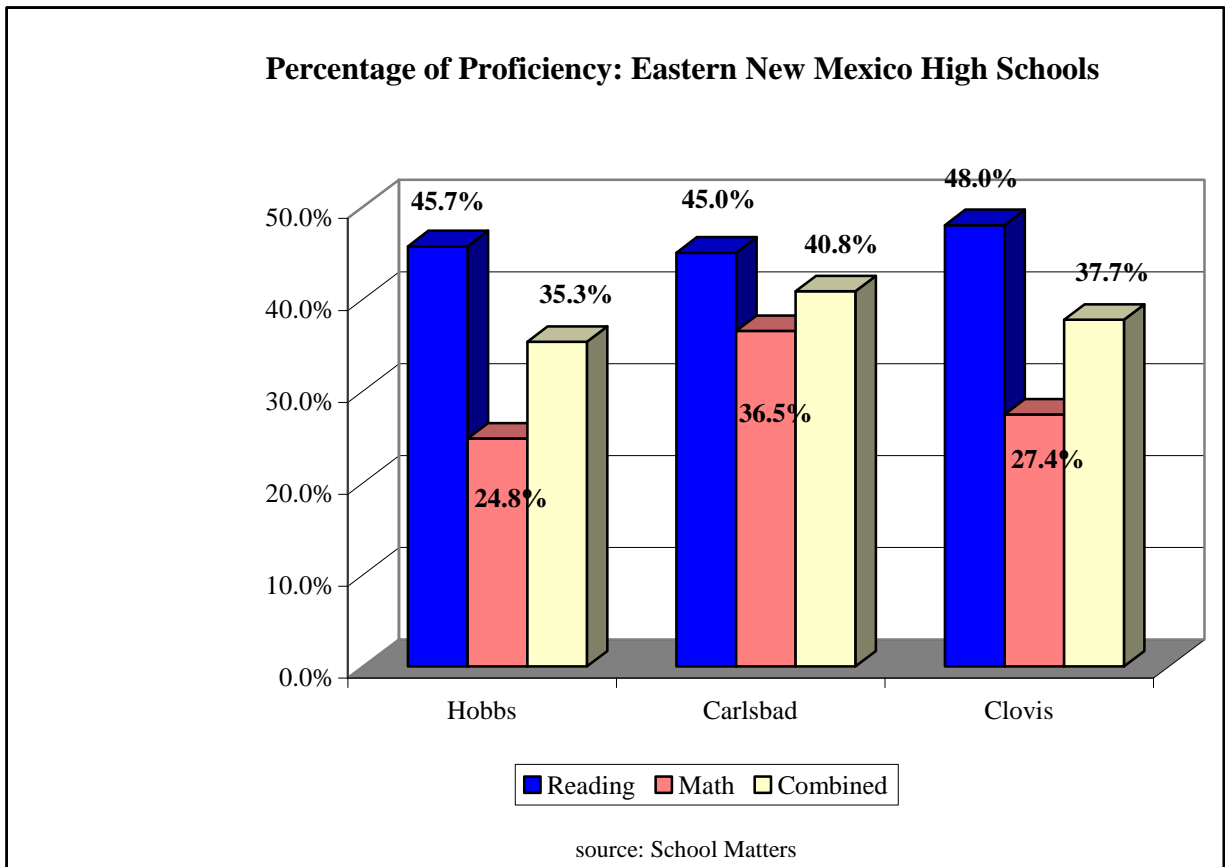
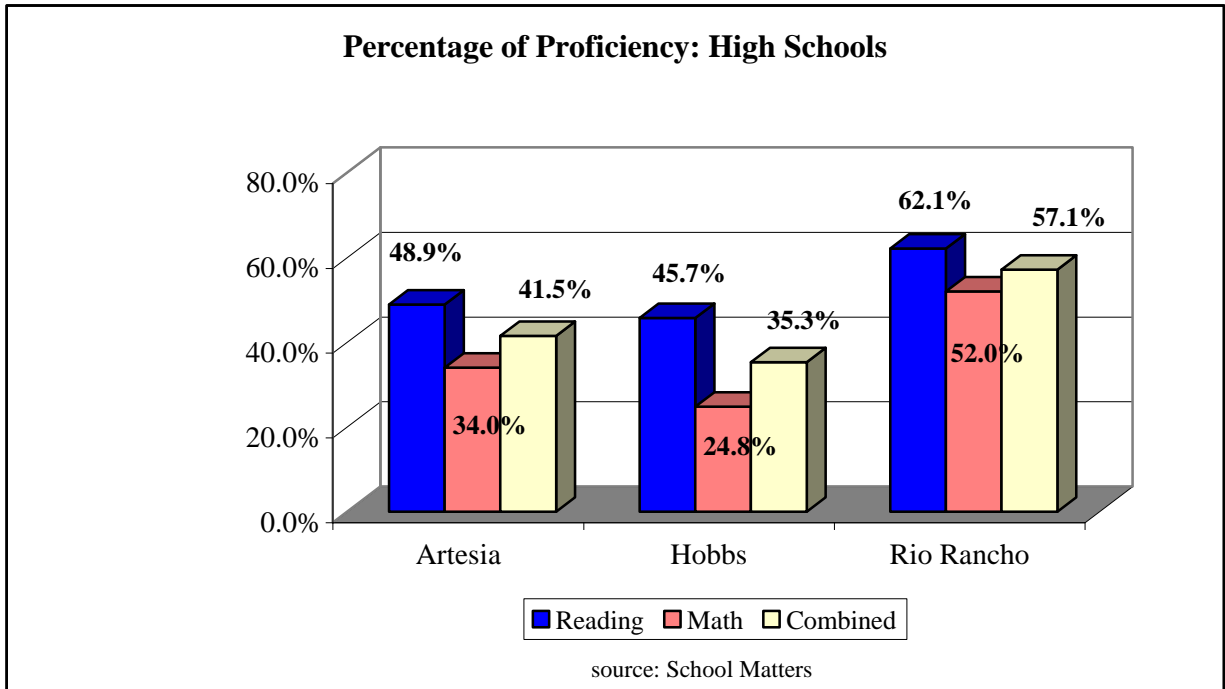
ACT scores are important indicators of how well students perform versus other students from other school districts. Even though it could be argued that many non-college bound students take the exam, which tends to bring the composite averages down, it still has to be recognized to demonstrate how well students are prepared for the next level of education.

- The ACT scores in the school districts in Lea County are lower than other school districts in the state.
- Hobbs which has an exceptionally strong APS effort has only a 19.9 ACT composite average, and Lovington, which has a very strong graduation, has a 17.9 ACT composite average.



Often, relocating companies and individuals go to web sites that reference how well a school district performs and their individual schools. One of the web sites that interested families view is Great Schools.com.

- Great Schools.com gives Hobbs a rating of 6 based out of 10. However, it also mentions that the New Mexico High School Standards Assessment (NMHSSA) to test students in grade 11 in reading, math, science and social studies records less than average scores in all categories. Reading and math scores were down substantially from 2006.
- Another web site is NeighborhoodScout.com. Neighborhood Scout gives Hobbs a 7 rating out of 10 when comparing Hobbs School District with others in the state of New Mexico. However, the rating slips to 2 when comparing Hobbs to other school districts in the nation.
- NeighborhoodScout.com also mentions that the percentage of economically disadvantaged in the Hobbs School District is 53% and the state average is 55.7%.
- The same web site also highlights the expenditures per student. Hobbs is \$8,164/student, the state of New Mexico average is \$9,591/student, and the United States is \$10,469/student.
- Individuals relocating may also look closely at proficiency percentages which can be found on the webs site SchoolMatters.com to see how Lea County schools may compare with others. A look at math, reading and composite scores for some competing schools shows the following:



The data clearly reveals that Hobbs does not fare well against some of the stronger districts in the state in Rio Rancho and Artesia, but competes closely in proficiency with other Eastern New Mexico high schools in Carlsbad and Clovis, except in math.

- **Alternative education programs are lacking in the region.** This is critical to assisting those disadvantaged students who are very likely to remain in the community after graduation or dropping out of school.

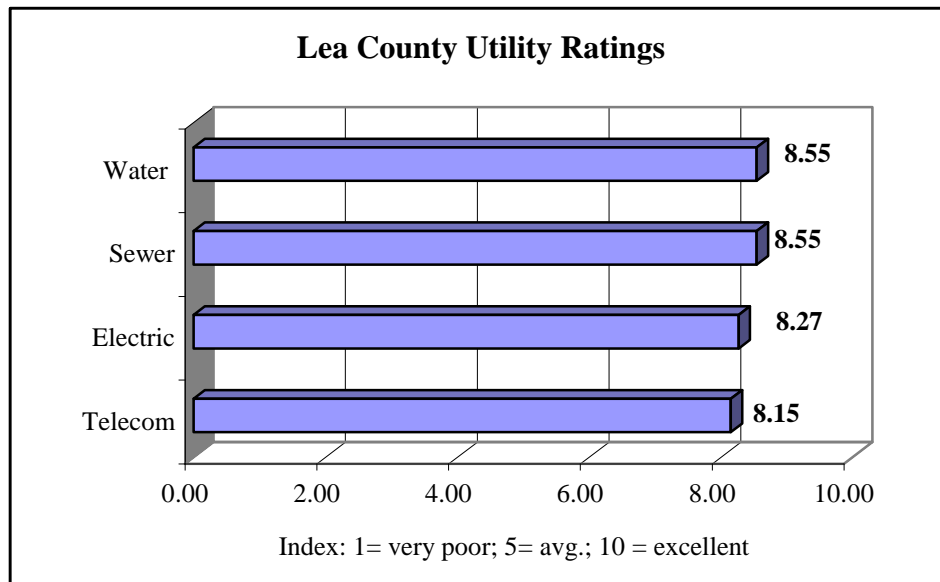
***Utilities***

***Mostly Strengths***

Today's environment demands that businesses have high-speed communications in both voice and data. This is not only critical for information technology companies but also basic manufacturing and non-manufacturing. Communities must assist their businesses in this area in order for them to compete in the new millennium.

Companies are also searching for power companies that are reliable and low cost. Some companies, such as plastics that have large electric loads and the cost of electricity is a key factor in their location decision.

Municipal water and sewer services are also important especially for processors who use significant amounts of water.



- Lea County has a local rural telephone company in Leaco, which is plus because of its local service which can respond to employers needs immediately. Lea County also has a number of other alternatives for wireless and internet services with high speed.
- In the summer of 2009, employers ranked all utilities highly which is testimony to the level of satisfaction with services in the county. (note: the ratings by community leaders of services were a point lower in the winter of 2010).
- Water comes from the Ogallala Aquifer and is estimated to contain 14 million acre-feet of recoverable water in Lea County.
- Most of Lea County is serviced by Excel Energy based out of St. Paul, MN and their electric rate structure compares favorably with Texas's Power to Choose Program. Rates for industrial users can be in \$0.045/kwh range in Lea County and can be approximately \$0.07 in Texas.

### Sites and Buildings

### Weaknesses

Select infrastructure in the industrial parks must be in place in order to compete for economic development. Modern day industrial or business parks are well maintained with clean wide streets, curbs, underground lighting and restrictive covenants.

- **Hobbs new industrial park (Energyplex) is planned and has water and sewer, but lacks thorough curb, gutter, lighting, widening and sidewalks.** The competing Texas communities (Odessa and Midland) have much stronger parks with all the above amenities.
- There does not appear to be any facilities that can easily be converted into call centers giving the county a disadvantage compared to not only TX communities but also Carlsbad and few other New Mexico cities. (there are a number of empty buildings in Lovington that could be transformed with some work).
- *Even though the Energyplex is currently a paper weakness it could become strength later especially if administration of the park is turned over to the EDC and the park gets its first tenant and is focused on alternative energy projects.*

***Taxes***

***Neutral***

Taxes in New Mexico are relatively low in some areas such as real estate but higher than Texas in income taxes.

*Real Estate Taxes:*

Texas counties normally have a total of five taxing entities: city, college, junior college, school, and hospital. Tax rates are based on 100% of assessed value and in Midland are approximately 2.2%.

New Mexico property taxes are based on 1/3 value of the real estate. The property tax rate in Hobbs is approximately 28 per \$1000 of assessed valuation for non-residential property

*Equipment Taxes:*

In Texas the tax rate for equipment is the same for real estate as long as the equipment is in use.

New Mexico assesses personal property taxes at the same mill rate until the equipment is fully depreciated.

*Corporate Income Taxes:*

Texas has a franchise tax rather than an income tax and is imposed based on adjustable federal taxable income, and the result is very much like an income tax. Gross receipts in TX as a percentage of overall gross receipts are multiplied by total taxable income of the company to arrive at the amount taxable in TX. The result is equal to a 4.5% tax.

The NM income tax starts at 4.8% on the first \$500,000, increases to 6.4% on the next \$500,000, and tops out at 7.5% of taxable income over \$1 million. A franchise tax of a flat \$50 (per corporate tax reporting period) is also assessed on companies, regardless of size or assets.

(Note: There is no specific advantage by either state. It will be specific to the company and how it calculates earnings)

*Inventory Taxes*

Inventory for a company located in TX is subject to varying rates with 3% tax rate per dollar value of property value. Like real estate, the tax rate is assessed on 100% of the fair market value of the value of the property. A Freeport Exemption in some cities can allow 175 days to export inventory out of the state without being subject to tax.

There is no inventory tax in New Mexico.

*Personal Income Taxes*

There are no personal income taxes in Texas.

The personal income tax in New Mexico has been reduced in recent years to a minimum of 1.7% to 4.9%. (Note: NM allows non-resident employees of a manufacturing business to be exempt from income taxes if they work within 20 miles of the Mexican border).

*Compensating Taxes*

There are no compensating taxes in Texas.

In New Mexico, the compensating tax is \$0 if at least 5% was paid on existing equipment brought in from out-of-state.

*Unemployment Insurance Taxes*

Texas charges 2.7% on the first \$9,000 of wages paid to each employee.

New Mexico charges 2.7% on the first 415,200 of wages paid to each employee. No reduction for the first five years.

*Gross Receipts Tax*

Both states levy taxes on the total amount of money a business receives from transactions in New Mexico or Texas (within the state) this includes, selling or leasing property, performing services, such as construction and the sale of R&D services. Goods sold or exported out of the state are exempt.

The gross receipts tax in Hobbs is 6.6875% and in Midland, TX it is 8.25%.

*Incentives*

*Mostly Weakness*

The ability to add incentives into a project has become critical in developing any new projects and bringing business into a community. States have become very competitive in the awarding of incentives. In the early 80's incentives were limited to financing programs but incentives involving cash grants have become popular in many states due to the need for business to help negate negative cash flow during the gestation stages of projects. Texas has left the option of incentives up to the individual communities by having the communities determine whether or not they want a local option sales tax. The sales tax has to be used for economic development purposes.

A Texas community analysis reveals the following:

Andrews Economic Development Corporation:

- Sales tax for economic development used for multi-purposes often includes grants.
- *Other local incentives can include in addition to grants:*
- Free Land in the new Business Park South (South U.S. Hwy 385)
- Free Land in the existing and developed North Industrial Park (North Hwy 385)
- Tax Abatement Incentives (up to 7 years at 100%)
- Educational/Job Training programs from Permian Basin Workforce Development Board
- Technical assistance from the Small Business Development Center
- No development fees
- Assistance with Infrastructure
- Access to regional training and development services
- Low and no interest loans
- Expedited permitting process

Odessa Economic Development Corporation:

- The ODC annually collects \$4.5 million per year in sales tax revenues to be used for ED incentives.
- Possible incentives include: Free land; Land, facilities and infrastructure improvement grants, Loan enhancement; Direct loans, including micro-business loan; Relocation and moving expense grants; Property tax incentives; Training; Recruiting and screening of employees
- **\$1 million economic grant was given to Lufkin Industries to build a new \$8.5 million facility in a site that employs 86 people at a 35,000 square foot warehouse and a 13,000 square foot office building**

Midland Economic Development Council

- City sales tax generates over \$3M in economic development and community assistance monies.
- Leasehold improvements, construction, real estate purchase, training, personal property or equipment, and infrastructure needs. (for primary economic base jobs)
- Qualified businesses located within the designated Reinvestment Zone are eligible to receive up to 100% abatement of the property tax for 5 to 10 years.
- Other local financing programs include SBA 504 and link together with state programs
- Example: **Midland ED \$275,000 grant to Natural Gas Services Company, a compression equipment manufacturer to build new facility and a new headquarters in downtown Midland.**

A side by side comparison between NM and Texas:

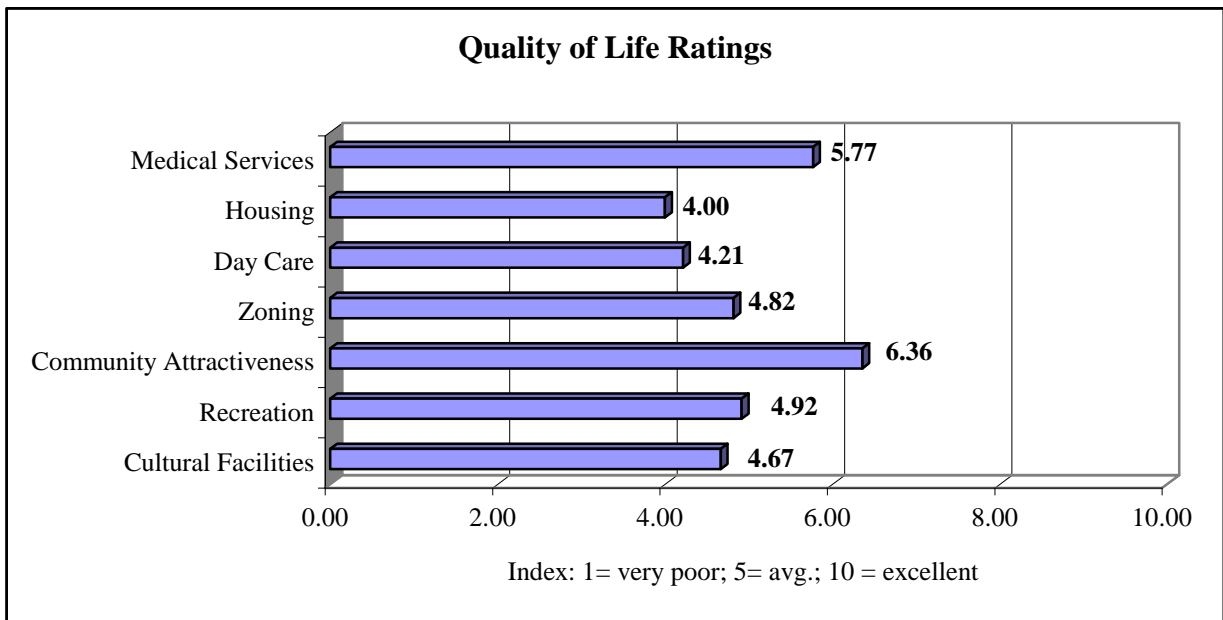
	NM	TX	Comment
Workforce Training Reimbursement	yes	yes	TX capped at \$500K per
Property Tax Abatements	yes	yes	NM calls it IRB
Secondary/Direct Loans	yes	yes	Smart monies(NM) TID (TX)
Tax Exempt IRBs	no	yes	for projects over \$5M (bond pools)
Tax Credits	High Wage	sales tax refund	
	R&D	worker tax credit	
	Manufacturing	state franchise reduction	
	Rural Jobs		

Lea County must be creative in competing with Texas communities. The EDCLC should look at low interest and secondary financing program as well as using LEDA funds.

Quality of Life Services

Mostly Weaknesses

Quality of life issues are important especially regarding the relocation of employees for a new or expanded business.



- **Recreation and cultural activities are limited** according to employers, but community leaders rated recreation and culture higher at 6.19. Human resource managers who must recruit personnel are much more critical of recreational opportunities, especially for young people.
- Even though improvements are being made in housing opportunities with new developments, many expressed concern over the **lack of owner-occupied and rental**

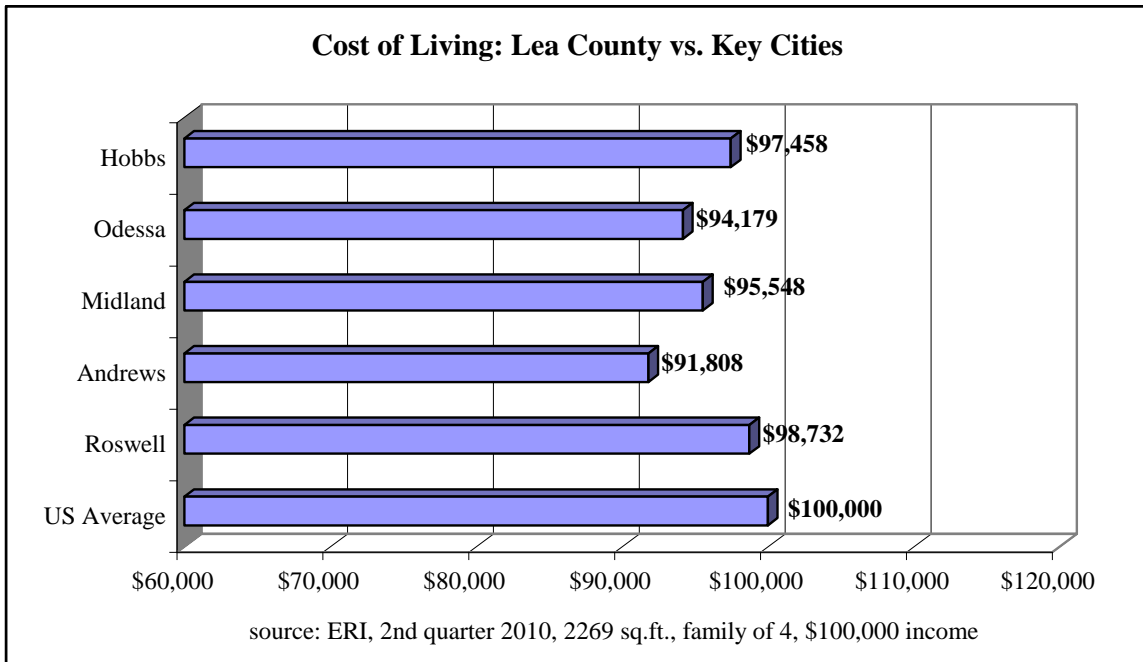
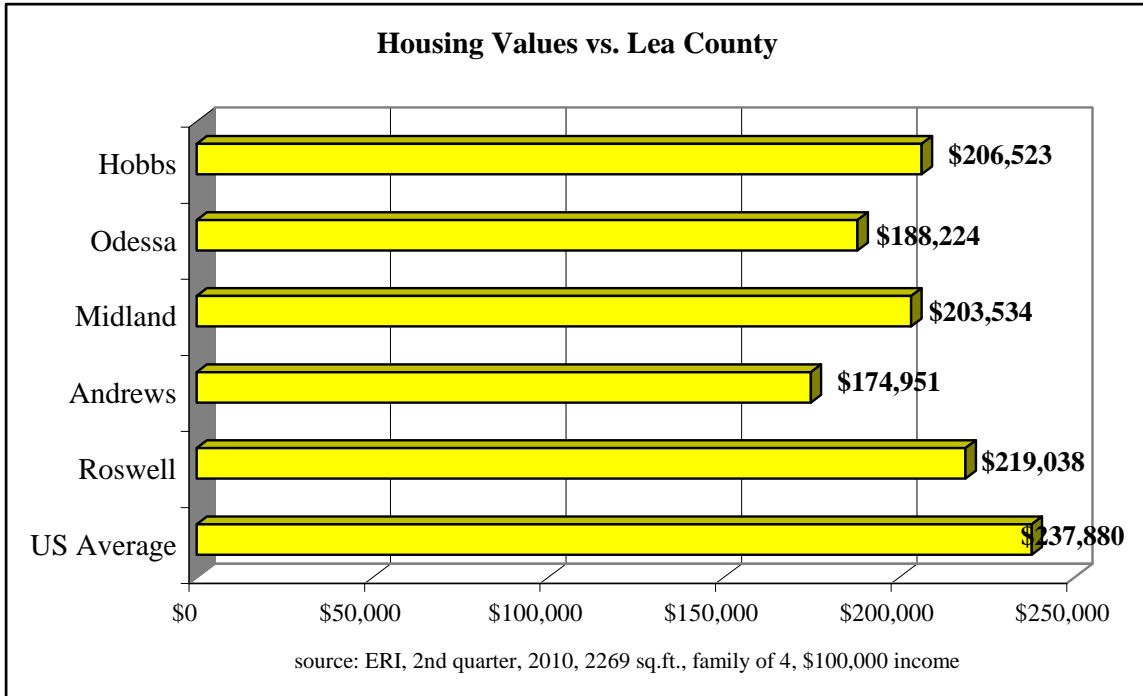
**housing affordability and availability.** The MBG survey in winter 2010 agreed with the labor survey and its findings with housing.

- **Citizens are generally concerned about the lack of retail and restaurants choices** in the Lea County area
- **Community beautification efforts are being enhanced, especially in Hobbs, but improvements and a planned program must take place in Lovington.**
- Day care is not a major concern as it is in most communities, **but a few employers who depend on female workers complained that** it affects their recruiting ability because there are no day care services available in the evening, and very little for infants.
- Interviewees were quick to point out that none of these quality of life ratings were a reflection of the city of Hobbs and county administration which received generally high marks, which included local elected officials.

***Cost of Living***

***Some Strengths***

Relocation is a site location factor of growing importance. If key employees refuse to take a move, the project may be a failure.



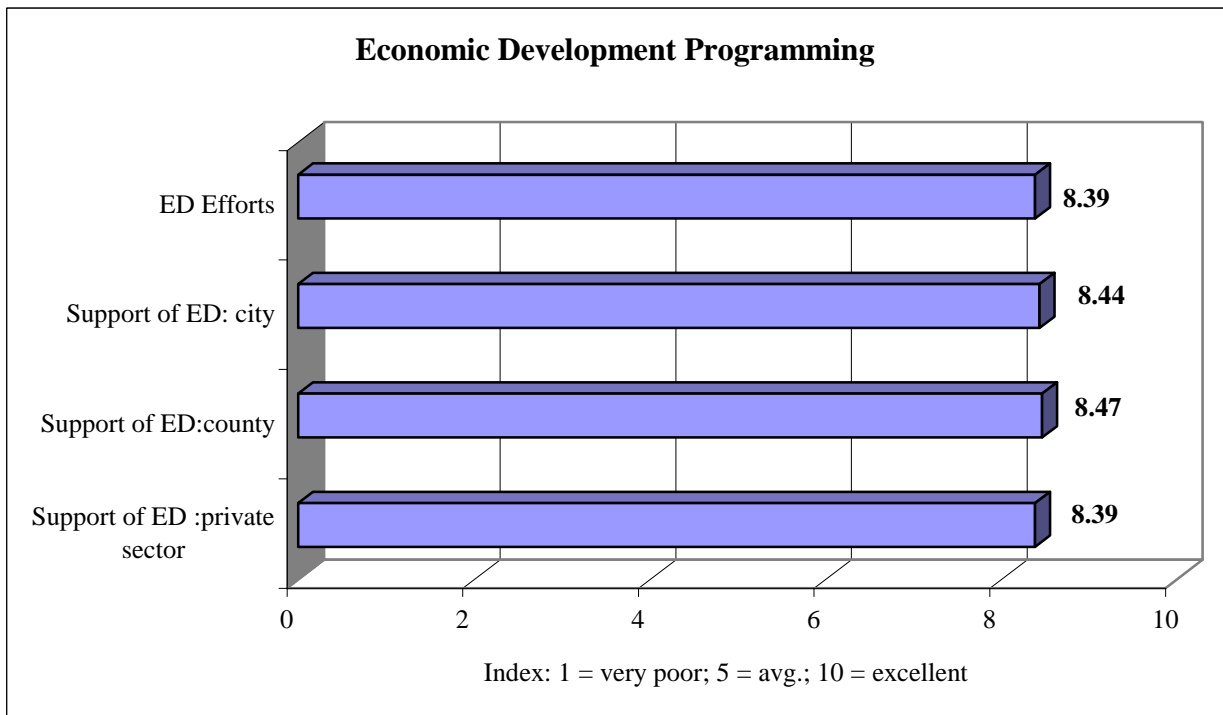
- A 2,269 sq.ft.home is \$31,000 less expensive in Lea County than the US average but higher than Midland, Odessa and Andrews.

Most Challenging Relocation Needs for Companies Nationwide

- Controlling relocation costs
- Overcoming employee resistance to move particularly to less desirable areas.
- Balancing transferee needs with company trends to cut budgets.
- Moving employees to high cost areas.
- Disposing of inventoried homes.
- Handling relocations following a merger.
- Dealing with legal issues
- Handling a group move
- Finding employment for relocating spouse.
- Overcoming delays
- Relocating minorities

Organization and Economic Development Programming Neutral

All communities that are active in economic development must have strong, financially sound and highly organized efforts. They should also have one voice and work as a team in attracting and retaining economic base industry and jobs in their communities. They must have good incentive packages and possess skilled professional staff and have government who have excellent people skills and cooperate well with private sector demands.



What the staff of the Economic Development Corporation lacks in experience they make up for it in intelligence, resourcefulness, and youth. The web site is improving and may be one of the stronger sites in the state. The quarters are superb and are ideal for meeting and hosting prospects and existing industry

- **Employers are generally pleased with the performance and responsiveness of both sitting Mayor of Hobbs and the City Council as well as the staff of EDCLC.**

### Quotes

*“Some businesses in the area are saying that they don’t want the competition or job creation that other companies would bring.”*

*“A positive aspect of doing business here is the nice responsiveness from the community.”*

*“The mayor is very hands on with community work.”*

*“This is a good area to develop networks and relationships with those you work with.”*