



# FY 2023 MID-YEAR REPORT

**GREATER GALLUP ECONOMIC  
DEVELOPMENT CORPORATION**  
JULY 1, 2022 - DECEMBER 31, 2022



## Highlights - July 1 to December 31, 2022



GGEDC was recognized as a Certified EDO by NMEDD at the Governor's Conference on Economic Development in September, 2022

- New Mexico Economic Development Department recognized GGEDC as one of 7 Certified Economic Development Organizations in the state.
- The Greater Gallup Industrial Workforce Program graduated its 7th and final class under GGEDC's 3-year EDA-funded pilot project. GGEDC transitioned the program to the Southwest Indian Foundation (SWIF).
- A Dedication Ceremony was held to celebrate the completion of Construction of Carbon Coal Road, the 5-mile 4-lane highway that connects US Highway 491 with the Gallup Energy Logistics Park.
- A 9-member Gallup & McKinley County delegation attended the International Manufacturing Trade Show (IMTS) in Chicago, the largest manufacturing tradeshow in the Western Hemisphere.



Ribbon Cutting celebrating the completion of construction of Carbon Coal Road, a \$30 million project, in November, 2022.



## GGEDC ACHIEVEMENTS & ACCOLADES

### GGEDC BECOMES A "CERTIFIED ECONOMIC DEVELOPMENT ORGANIZATION"

GGEDC is among seven New Mexico Economic Development Organizations (EDOs) to be designated "Certified EDOs" under a new program of the Mexico Economic Development Department (NMEDD). Deputy Cabinet Secretary Jon Clark announced the awardees at the New Mexico Governor's Statewide Conference on Economic Development, September 26-27. The certification can be renewed annually for up to a total of 10 years, with each organization eligible for up to \$40,000 annually, depending upon annual recertification and availability of funding.

"The certification recognizes more than ever that no one can go it alone anymore. Economic development is a team sport and the state needs to work hand-in-hand with strong community partners to create better paying jobs across New Mexico and build family wealth," stated NMEDD Secretary Alicia Keyes. She added, "NMEDD recognizes that its partner EDOs provide a high level of professional service to their communities. Through the Certified EDO program, NMEDD supports local EDOs to build capacity within their organizations so that they are able to provide economic development services and support their communities."

The Certified EDO program emphasizes the importance of having a strong, well-rounded, and well-prepared EDO at the community level. The program will serve to:

- Recognize excellence in local economic development organizations
- Heighten the visibility of the economic development process in New Mexico
- Build capacity for economic development among organizations
- Encourage professional development for New Mexico's economic developers
- Facilitate the recruitment, retention, expansion, and creation of economic-base jobs throughout New Mexico, and
- Establish a stable, diversified economy that will improve the quality of life for New Mexicans.

As part of the application process, a 3-member NMEDD evaluation team spent 4 hours visiting the GGEDC office where they met with and interviewed GGEDC staff and partners, and reviewed GGEDC's programs and organizational documentation and record keeping. Executive Director stated that the \$40,000 award would support staff travel to multiple tradeshow and meetings with site selectors to help attract and recruit businesses to McKinley County, and especially to the McKinley County Industrial Park.



Representatives of seven economic development organizations accepted Certified EDO awards from NMEDD at the Governor's Conference on Economic Development, September 2022. Photo credit: Carlos Pera, MVEDA.

# BUSINESS ATTRACTION & RECRUITMENT

## Conferences and Tradeshows Attended

### TRANSATLANTIC BUSINESS & INVESTMENT COUNCIL (TBIC) - 2022 ANNUAL CONFERENCE

At the end of August, Executive Director Lundstrom attended the 2022 Transatlantic Business & Investment Council's (TBIC) Annual Conference in Atlanta, Georgia. TBIC is the primary platform in Europe for companies interested in expanding operations and investment into the United States. Europe is the largest annual source of foreign direct investment for the U.S.

The theme for this year's annual conference was: "European FDI in Times of a Changing Global Environment: Jumpstarting Transatlantic FDI Recovery." The conference offered an abundance of workshops and opportunities to network with European companies and investors. Workshops included: "Geo-Political Environment & Transatlantic FDI Relations" and "Fit for the Future: Workforce Development in a Changing Economy."

### 2022 INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL (IEDC) ANNUAL CONFERENCE

GGEDC Deputy Director, Michael Sage, CEcD, traveled to Oklahoma City, OK in September to attend the 2022 IEDC Annual Conference. The theme of the conference was "Turning Disruption into Innovation and Opportunity." The conference convened hundreds of economic developers from throughout the United States and Canada representing every type of community and economic planning and development organization. In addition to addressing the impacts of rapidly changing technology on economic development and means to build more equity into programs to create greater equality in our communities, the conference also presented panel discussions featuring Industry and economic development experts focused on economic reinvention, community innovation, and disaster recovery and resiliency.

### 2022 INTERNATIONAL MANUFACTURING TRADESHOW (IMTS)

In September, GGEDC organized and sent a 9-member delegation from Gallup-McKinley County to the International Manufacturing Technology Show (IMTS) in Chicago. The team included the Mayor of Gallup, the President of the McKinley County Commission, the County Manager, three GGEDC staff members, representatives of Tri-State Generation and Transmission Authority and Gallup Land Partners.

The Executive Director considered IMTS to be "immensely beneficial for us." Noting that IMTS demonstrated the most cutting-edge technology in manufacturing from throughout the world, the Executive Director stated that for her, the most impressive takeaway was learning about Additive Manufacturing (3D printing), and other high tech manufacturing processes in presentations she attended.

GGEDC contracted with consultant Jennifer Lazarz to manage logistics such as getting a booth, coordinating information and planning with the 9-member Gallup-McKinley team, planning and coordinating event logistics, and preparing the final report.

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Executive Director Patty Lundstrom with Matthias Beier, President & CEO of the Transatlantic Business and Investment Council, at the TBIC Annual Meeting in Atlanta







## 2022 INTERNATIONAL MANUFACTURING TRADESHOW (IMTS)

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Ms. Lazarz organized meetings for the delegation with companies based on their NAICS codes, targeting companies where Gallup and New Mexico could demonstrate a competitive advantage against 17 other U.S. states in terms of utility costs, costs of operation, taxes, etc.

The delegation was organized in two-member teams that would visit companies each morning and afternoon during the 6-day event while other team members managed the GGEDC booth. Ms. Lazarz also developed marketing materials that the teams distributed, including cards with QR Codes - barcodes that company representatives could scan with their cameras to rapidly access information on the industrial parks in McKinley County, as well as information on local utility costs, GGEDC organization, staff contact information, etc. From the 180+ contacts the team made during the show, eligible recruitment opportunities for the next 12 months were identified and starred.

After attending a presentation on 3D printing, the Executive Director discussed the benefits of having a 3D printer like that at Escalante that could be operated by a private company and could serve as a resource and marketable asset to help attract companies. The printer could be housed in a secure building at Escalante. Industries would be comfortable ordering parts from there that could be manufactured and delivered quickly. The Executive Director suggested that when rewriting the LEDA Ordinance for McKinley County, the 3D printing company could be added in as an incentive for manufacturing.



Gallup and McKinley County were represented in a 9-member delegation at the IMTS Tradeshow in Chicago. The team included: Louie Bonaguidi, Mayor of Gallup, Bobby Baca, President of the McKinley County Commission, Anthony Dimas, Jr. the County Manager, Martin O'Malley General Manager, Gallup Land Partners Drew Kramer, Economic Development Program Manager, Tri-State T&GA, and GGEDC staff, Patty Lundstrom, Executive Director, Michael Sage, Deputy Director, and Bruce Armstrong, Economic Development Manager.



## KEY GGEDC INITIATIVES

### EDA GRANT FUNDS GALLUP MOBILITY INVESTMENT DISTRICT AND AIRPORT STUDIES

GGEDC worked closely with the City of Gallup to complete the planning work funded through a 2020 EDA CARES Act Recovery Assistance planning grant. With the aim of supporting regional economic recovery strategies from COVID, the \$600,000 grant matched with \$150,000 of City of Gallup funds focused on addressing community and economic resilience needs including:

- Developing an Airport Infrastructure & Utility Site Plan, including preliminary engineering report (PER) for infrastructure upgrades to support new air service & economic development opportunities.
- Executing a Gallup Mobility Investment District development plan to determine a location for the Gallup Mobility Hub (for testing Autonomous Vehicles) within the GMA and that would also consider establishing a Foreign Trade Subzone (FTZ).
- Developing a state-of-the-art Autonomous Vehicle Test Track to be used for testing and developing autonomous trucks, &
- Developing "Terminus Hubs" (fueling stations for diesel, hydrogen & electric power).

As a result of technical assistance provided by GGEDC staff and professional consultants, the Gallup Municipal Airport Market Feasibility Study was completed and preliminary engineering (PER) designs were drafted to renovate the airport facilities and provide space for a U.S. Customs and Border Patrol official to facilitate Gallup-McKinley County becoming a Foreign Trade Zone (FTZ).

The strategic opportunity for Gallup-McKinley County to become a hub for autonomous vehicle testing and development also gained ground. Consultant GLD Partners' Gallup Mobility Investment District Report and Delivery Plan provides a detailed roadmap for how to develop and market autonomous testing facilities - mostly for testing autonomous trucks, target and recruit appropriate companies and skilled workers needed, and to plan and provide local workforce training to develop local people's capacity to join the high-tech workforce.

Moving forward, the GGEDC is developing a strategy for building out the Gallup Mobility Investment District. As envisioned, the District will include Truck Technology Testing Corridors with electric and hydrogen fueling stations, a Truck Mobility Complex for vehicle testing and development, a Gallup Trade Port, featuring a revamped airport terminal and Trucking Super Center (major truck stop) that can accommodate autonomous vehicles, and the implementation of an FTZ in Gallup.

### SUCCESSFUL INDUSTRIAL WORKFORCE PILOT PROGRAM TRANSITIONED TO SWIF

In November, as part of the transition of the management of the Greater Gallup Industrial Workforce Program (GGIWP) from GGEDC to the Southwest Indian Foundation (SWIF), Jeff Kiely, consultant, completed an Evaluation report and Sustainability Plan for the 3-year long GGIWP pilot project the GGEDC initiated in 2019.

In his report, Mr. Kiely considered the pilot initiative a success. He noted that "the core objectives were achieved of a) standing up an innovative workforce training program that would begin to fill the gap in the labor force pipeline available to local economic-base employers, and b) graduating and placing in trades occupations at least 30 local citizens. In the case of our implementation of 7 training cycles, and despite the interruptions and stresses of the double-impact of the COVID pandemic and the contraction of local industry, we were able to double the target number of graduates (from 30 to 59), with over 50 placed in local employment."

GGEDC handed off management of the IWP program to its local nonprofit partner Southwest Indian Foundation (SWIF) "with confidence that the program will continue to operate and grow into the future," the Evaluation Report stated. A Memorandum of Understanding was prepared that detailed the future relationship and responsibilities between GGEDC and SWIF. SWIF will have overall "ownership" and management of the program; GGEDC will continue to have a role in conveying information from local businesses on employment and training needs and will participate on and coordinate the IWP Leadership Team to help assure the program operations and instruction continue to align with market needs.

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## INDUSTRIAL WORKFORCE PILOT PROGRAM TRANSITIONED TO SWIF

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In SWIF's final program report to GGEDC following the completion and graduation of the 7th class of students at the end of October (7 graduates), Jeremy Boucher, Director of Operations at SWIF, detailed several challenges and opportunities that lie ahead for the future of the IWP program.

The primary challenge for sustaining the program was funding. An appropriation of \$110,000 was made by the State to McKinley County for the County to enter into a contract with SWIF and for HELP-NM to carry SWIF's program operations forward through the current fiscal year as the program transitioned to new funding sources.

At the time of the transition in management, SWIF had begun working with the Gallup Municipal School District (GMCS) to develop a partnership and program that would share GMCS facilities and resources, including instructors. The goal was to extend the National Consortium for Construction Education and Research (NCCER) training to high school students through the GMCS Career Pathways program while simultaneously providing IWP instruction to adults in the community.



**Kent Wilson, GGEDC Board Secretary and Owner of Four Corners Welding & Gas, delivered the Commencement Address for GGIWP Class 6**



## KEY GGEDC INITIATIVES

### 2022 ECONOMIC ROUNDTABLE #2: PREWITT / ESCALANTE INFRASTRUCTURE STRATEGY SESSION

The second of three GGEDC Roundtables focused on creating a regional hydrogen hub in Prewitt, NM took place on August 15, 2022 at the Escalante Generating Station in Prewitt. There, Executive Director Lundstrom stated that developing the Prewitt / Escalante Hydrogen Hub was in the first stages of planning for a 4-State region \$8 billion federal grant. The RFP for the grant had recently been released.

Jim Kenney, Secretary of the Environment Department, told the attendees that "Escalante is our diamond for New Mexico." All the information from the Roundtables GGEDC held on June 3rd and August 15th had been fed into their concept for the RFP, stated the Executive Director.

After completing extensive research from a site selector's vantage point, James Blair with Navigator Consulting reported that Prewitt was not ready to be a certifiable as an FDI-Qualified site. The site needs an infrastructure plan to deploy critical infrastructure, especially water and wastewater. Evan Williams, Executive Director of the NMNWCOC expected the cost for the final engineering plan for the Prewitt Industrial Park could run to \$800,000. In the Preliminary Site Master Plan that Wilson Engineering prepared, the company provided too general of a review. The plan "didn't address half what it needed to, especially the Geotechnical analysis for the site," stated Mr. Blair. Mr. Williams planned to approach the regional Economic Development Authority to help fund the study.

Following a utility-by-utility strategy discussion led by Michael Sage, Deputy Director of GGEDC, Navigator presented Target Industries for Prewitt; companies that could utilize electricity, hydrogen and heat generated by a revamped hydrogen-fired Generating Station. Targets included transloading, a hydrogen refueling hub for long-haul trucking, chemical processing to create ammonia and fertilizers, carbon-neutral manufacturing, and hydrogen research and testing.



James Blair, Managing Director with Navigator Consulting, addressed infrastructure needs related to the preliminary site master plan for the Prewitt Industrial Park.

## BUSINESS RETENTION & EXPANSION

### NM ECONOMIC DEVELOPMENT DEPT GRANT EXPANDS BRE PROGRAM IMPACT

The FY 2023 LEADS Grant NMEDD awarded to GGEDC in July, 2022 in the amount of \$25,000 is focused almost entirely on expanding the GGEDC's Business Retention & Expansion (BRE) Outreach Program. The Scope of Work for the grant calls for conducting a total of twenty-five BRE interviews with economic-base employers in McKinley County. During the first six months of the grant period, GGEDC conducted formal BRE interviews with 7 of 11 of our primary industrial/major employer partners, while looking to identify other economic-Base companies in the community to invite to participate in the GGEDC's BRE Outreach Program. The 2022 BRE Annual Report will be completed early in the Spring of 2023.

The LEADS Grant also supported GGEDC to host two Hydrogen-oriented Roundtables in August, 2022 and January 2023. The Roundtables addressed site development needs at the Prewitt Industrial Park and provided critical support for developing a Western Inter-State Hydrogen Hub (WISHH) proposal to the U.S. Department of Energy.