

October, 2019

I. AVIATION

A. John – Larry Mitchell and I attended the NBAA Aviation conference in Las Vegas, NV. I met with 16 companies concerning recruitment of maintenance operations to our airport. I met with five companies that have asked for additional information and or have expressed interested in visiting Carlsbad. During the show, the Aviation division manager of Marathon Oil stopped by our booth and gave us an earful about our lack of maintenance services for an airport as busy as we have.

II. NUCLEAR

A. Jeff – Continue to update the Eddy Lea Energy Alliance website for upcoming meetings, committee members, and agendas.

B. John- ELEA had one meeting this month in Hobbs. Our new Governor, Senator Udall, a few pueblo tribes and the new Congresswoman from Gallup are publically opposing our Holtec project. Despite that, the project is still working through its NRC permitting process.

C. John- Continue to participate in Mayor's Nuclear Task Force and support members with travel needs. This month administrative staff is handling the registration and accommodations for local government officials travelling to nuclear conference in Tennessee.

III. MANUFACTURING

A. John- Have met with representatives from Project Plastic four times over last month. Set up meetings between midstream company executives and the team from Project Plastic. The meetings went well and I have been asked to set up six additional meetings. So far, the company has acquired a letter of intent from a major engineering, procurement, construction, and project management company, headquartered in Reston, Virginia. They also have a similar letter of intent from a large international petrochemical engineering firm and an industry logistics company. The project will take about four years to build and will cost approximately \$6.23 billion. Eddy County is one of the finalists for the project and specifically in the area in southern Eddy County near the BNSF railroad and the new major cryogenic separation plants. The company is looking to possibly send product to west coast and Asia. The maquiladoras in Juarez and Mexico are also possible consumers of the polyethylene.

B. John- Sent information on two LNG companies to representatives from Project Plastic.

C. Jeff– Continuing to assist a new business looking to expand into Carlsbad. They have initially requested 6000-8000 square feet in a building, with 2000-3000 of that space for offices, and they would prefer south of Carlsbad either on National Parks Highway or along 285.

IV. OIL, GAS & ALTERNATE ENERGY

A. John – Followed up on three leads from the Gastech 2019 in Houston.

1. I met with the operations manager of Fenstermaker, a Louisiana-based consulting company about CDOD membership and projects going on in the area of industry service and support companies that were interested in moving into the Delaware basin to support the operations here.

2. Provided information to the Vice President of Fract USA about our transloading facilities in Eddy County. They are interested in LNG Export and the loading capacity of the local facilities. I gave him contact information for Titan Lansing, CIG Logistics, and the RIO Hub.

3. Sent requested information to a chemical company that sells cryo-refrigerants to the midstream industry. They are considering locating a new distribution office in the Delaware basin.

B. John- While at Gastech, I met with a representative from a Taiwanese company interested in building and operating cracker plants in the United States. They requested information on the community, the transportation system, and the resources, which I sent this month. Have forwarded this information to the NMEDD, who is interested in helping this company establish a presence in NM.

C. John- Met with Nathan Carroll of Chevron. He is our new supervisor over the Delaware Basin that has taken Al Davis' position. We discussed the CDOD and what it could do for Chevron. I have since sent him some additional information he requested.

D. Shannon – Attended the Oil and Gas Summit Committee wrap up meeting and we have set a new date for the 2020 Oil and Gas Summit. The event will fall on September 16-17, 2020.

E. Shannon –The PSP has put \$250k toward hiring a grant-writing firm to work for Eddy County. We sent out a press release put forth by the PSP discussing the website, www.thegrantscollective.org. The website is now live and taking submissions.

F. Shannon – Attended the Permian Road Safety Coalition. Was able to speak with Representative Brown on current population numbers.

V. CASCADES

A. Jeff –Met with the general manager of Omega Point, Jennifer Moyers, on assisting them with marketing the property. Currently they are taking pre-leases for commercial and residential spaces. They have some letters of intent from retail and restaurant entities but will make announcements in the near future. I assisted them with posting messages on the Green Street Cascades sign.

VI. RETAIL/RESTAURANTS/ENTERTAINMENT/HOSPITALITY

A. Jeff – Plans for the Wienerschnitzel and T-Mobile site were submitted within the last two weeks. They are working on getting this deal permitted and move into construction. Retail Southwest, a developer from Albuquerque who we have worked with on other projects is heading this up.

B. Jeff – Hospitality update: Four hotels are under construction right now. They include the Home 2 Suites (99 rooms), the Hyatt House (136 rooms), Best Western Plus (78 rooms), and a Mainstay Suites. Another hotel, the Staybridge Suites (90 rooms) is scheduled to build next to the Comfort Suites on Pierce. We may soon be looking at two more, as I spoke with a gentleman doing pre-market work for another one and one is still in the planning phases.

C. Jeff – The new Albertson's Market is open! Demolition on the old store will begin soon. We have been approved funding via the City's Lodger's Tax to commence building the new monument LED sign on the corner of Canal and Church, where the current sign is located.

D. Jeff – Met with the CEO of Planet Fitness. They are looking at a possible location in Carlsbad. We discussed the current gym situation in town, as well as other market-related topics. He met with all the other Planet Fitness club managers and they all agree that Carlsbad is a high priority for them.

E. Jeff – The former Carl's Jr. building has been taken over by James Polk Stone Community Bank. They have locations all over New Mexico, including Hobbs, Roswell, Clovis, Eunice, and their main office in Portales. I spoke to their executive vice president about their timeframe, and she said they hope to be open within 5-6 months. I also suggested they join the CDOD as a member, and she is considering it.

F. Jeff – Spoke to the owner of Anytime Fitness and the former Raging Brew regarding the latter's status. He stated that right now there is still no plan to re-open, but they have plans to keep them busy with the gym and its sister business, Waxing Studios, into 2020. He was also not aware of the new construction going on with Omega Point, so I filled him in on that project as well.

G. Jeff – I assisted Omega Point in utilizing the CDOD's website real estate module, and they have listed their pre-lease commercial properties on the website.

H. Jeff – A representative from Colliers International, a global real estate services and investment management company, reached out searching for a location for a QSR restaurant, with beer and wine. I forwarded his contact information on to several CDOD members who might have potential sites.

I. Jeff – We will be attending the Red River States ICSC Conference in January, 2020. We have already ordered several cases of Mona's Salsa to take with us. We have been doing this for several years, and we place our own created labels on the jars advertising Carlsbad as a HOT economy to invest in!

J. Shannon – Attended the 2019 Mainstreet Board Retreat. Many new and exciting goals were set such as atmosphere improvements, new signage and more. I will continue the initiative to organize our Mainstreet merchants through quarterly meetings to work with them on ways to expand their business.

K. Shannon – Attended the Albertson’s Grand Opening the event was extremely well attended and they said they anticipate the completion of the new parking lot to be complete by mid-January 2020. They also gave some nice shout-outs of thanks to Jeff and the CDOD.

VII. HOUSING RECRUITMENT

A. John- Met with Betty Blea, who informed me that she was ready to move dirt and out the utilities in then the Ives (owners of property) decided they did not want to Develop and has sold the subdivision. She has since met with them and she was informed by the nephew that they were just selling the land and did not want to wait for the subdivision time. They have sold the property and there will be 182 -184 townhouses. He has a list of people ready to take reservations.

B. John- Have met with two separate development companies this month regarding apartments in Carlsbad area. Both attended the oil and gas conference as well as the housing meeting afterwards. They have each requested additional information that Shannon is acquiring for them.

C. John- Met with a reporter from Reuter’s news service about the oil and gas industry and the impact it has had on housing. She visited some construction projects in town and spoke with residents from a local temporary lodging facility.

C. Shannon – Toured Erik Strom from Ironridge Capital around Carlsbad. His company, formerly based in Washington State, have been liquidating their assets and are looking for new housing and residential ventures to get involved in.

D. Shannon – Worked with a representative from FedEx on their employee needs for housing. They asked to see a copy of our housing study to help corporate understand why they need to increase the pay of their drivers.

E. Shannon – Continuing to work with Steve Schuman from Coyote Flats RV Park, a level 5 member, they needed resumes for an assistant position to manage the property and a detailed letter of explanation about the state of our housing for his financiers.

F. Shannon – I have met with Lance Frazier and his business partner out of Austin several times and currently they are working on the concept of a mobile home park of tiny homes.

G. Shannon – Have met several times with John Heaton on his initiative for a Housing Revolving Loan Fund. The idea is still unfolding and we are working with PSP to get their support for the project.

H. Shannon – Working with Latter & Blum Commercial out of Louisiana. They asked for an economic development report while they do some research on Carlsbad.

I. Shannon – Working with Rick Swanson on the Carlsbad 960 property and they are trying to glean what the immediate needs for Carlsbad are and if a mobile home park would work on the property.

J. Jeff – We had two local business owners make us aware of executive housing units available. Their information was sent out to the CDOD membership.

VIII. WORKFORCE RECRUITMENT

A. John- Assisted a CDOD Member by providing them with a résumé of a potential candidate we had on file that was in an area that the company was looking for.

B. Shannon – Working with the new assistant store manager for Sutherlands to help him find housing in the area before he relocates to Carlsbad. Have sent multiple rental listings and a list of apartments in the area.

IX. ADMINISTRATION

A. Jeff –Recruited Comfort Suites to join the CDOD membership at the \$500 level last month.

B. John- Jeff and I attended a training on “community branding” put on by ICMA. We made some great contacts and learned useful information that will help in our marketing of Carlsbad and Eddy County.

C. John- Attended 2019’s first meeting of the Eddy County Freeholder’s Board. We looked at a number of roads that are being considered for addition or removal from the county’s inventory. Our recommendations were then forwarded to the county manager and County Commission for their consideration.

D. John- Spoke at KCCC Radio on the “Stella and Bob” Show. Most of the conversation revolved around housing, Omega Point at the Cascades, and the opening of the new Albertsons.

E. John- Attended the County Census Committee that Councilor Rodriguez and I chair. Put a scope of work together for marketing services to promote census participation in 2020.

F. John- Attended the SE NM Economic Development District’s quarterly meeting in Roswell. The Census Bureau and Hubert Quintana made presentations. The Cascades at Carlsbad was nominated for an EDA- national brownfield redevelopment award by Mr. Quintana.