

ORDINANCE NO. 2019-01

AN ORDINANCE AUTHORIZING THE CONVEYANCE BY THE CITY TO OXY USA INC. OF APPROXIMATELY 17.02 ACRES OF REAL PROPERTY IN THE CARLSBAD AIRPORT INDUSTRIAL PARK AS PART OF AN ECONOMIC DEVELOPMENT PROJECT.

WHEREAS, the City of Carlsbad (hereinafter "City") holds title to the real estate described as follows:

THE SURFACE ESTATE ONLY OF:

TRACT 3-A-1, CARLSBAD AIRPORT INDUSTRIAL PARK LAND DIVISION OF PARCEL 3, UNIT 5 AND TRACT 1, UNIT 4, AS FILED WITH THE EDDY COUNTY CLERK IN CABINET/MAP 6, SLIDE/PAGE 78-1, RECORDS OF EDDY COUNTY, NEW MEXICO.

AND

TRACT 3-A-2, CARLSBAD AIRPORT INDUSTRIAL PARK LAND DIVISION OF PARCEL 3, UNIT 5 AND TRACT 1, UNIT 4, AS FILED WITH THE EDDY COUNTY CLERK IN CABINET/MAP 6, SLIDE/PAGE 78-1, RECORDS OF EDDY COUNTY, NEW MEXICO.

(hereinafter "Property"); and

WHEREAS, OXY USA Inc. (hereinafter "OXY") has made application to the City for an economic development project pursuant to Ordinance No. 2000-08, the Economic Development Plan Ordinance; and

WHEREAS, OXY proposes that the City convey the Property to OXY and in exchange for the approximately seventeen (17) acres of City-owned land, OXY would develop and build a field office on property OXY has acquired from Eddy County with that field office being at least 40,000 square feet in size and develop and build on the property acquired from the City both a lay-down yard and a fabrication facility with the fabrication facility being at least 70,000 square feet in size, with a total cost of such development and construction of the field office, lay-down yard, and fabrication facility being no less than \$12,000,000 and, in addition to the development of the property, OXY would also employ no fewer than 100 people at the field office, lay-down yard, and fabrication facility with an annual payroll for those employees of no less than \$7,500,000 for at least five (5) years; and

WHEREAS, the Property shall be subject to the requirements of the Economic Development Project Participation Agreement between the City and OXY; all restrictions set forth in Section 3-56 of the Carlsbad City code of Ordinances, as it may be amended from time to time; and all covenants, conditions, restrictions, reservations, encumbrances, and easements of record and in open view; and

WHEREAS, the City desires to convey the Property to OXY subject to the requirements of the parties' Economic Development Project Participation Agreement for the purpose of economic development; and

WHEREAS, a qualified appraiser has appraised the Property at a value of Nine Hundred Forty Thousand Dollars (\$940,000.00); and

WHEREAS, the City has published notice of this sale prior to the consideration of this Ordinance as required by N.M.S.A. 1978, Sec. 3-54-1(D) (1999).

NOW THEREFORE, be it ordained by the Governing Body of the City of Carlsbad, County of Eddy, State of New Mexico, as follows:

1. The conveyance of the above described real estate by the City of Carlsbad to OXY USA Inc. as described herein is hereby approved.
2. That conveyance would be pursuant to the requirements of the Economic Development Project Participation Agreement Between the City of Carlsbad and OXY USA Inc. attached hereto as Exhibit "A"; all restrictions set forth in Section 3-56 of the Carlsbad City code of Ordinances, as it may be amended from time to time; and all covenants, conditions, restrictions, reservations, encumbrances, and easements of record and in open view
3. The City shall purchase Title Insurance in the amount of Nine Hundred Forty Thousand Dollars (\$940,000.00). All closing costs shall be borne by OXY.
4. The Mayor and City Administrator are authorized to execute all documents necessary to implement the terms of this ordinance.
5. Notice shall be published pursuant to the terms of N.M.S.A. 1978, Sec. 3-54-1 (1999).

DONE AND APPROVED this 8th day of January, 2019.

/s/Dale Janway

DALE JANWAY, MAYOR

ATTEST:

/s/Nadine Mireles
CITY CLERK